

**PART III - LIST OF DOCUMENTS
EXHIBITS AND OTHER ATTACHMENTS**

SECTION J

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SECTION J

APPENDIX A

KEY PERSONNEL

R. Hanson	President & CEO
D. Van Leuven	Chief Operating Officer
R. Jones	Spent Nuclear Fuels Project
E. Aromi	Waste Management Project
N. Boyter	River Corridor Project
Vacant	Nuclear Material Stabilization Project
T. Harper	Site Services
B. Essary	Director of Safeguards and Security
G. McDowell	Chief of the Hanford Patrol

**PART III - LIST OF DOCUMENTS
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SECTION J

APPENDIX B

**ADVANCE UNDERSTANDING ON PERSONNEL COSTS
POLICIES AND PROCEDURES**

1.0 INTRODUCTION

This Appendix B supplements the clauses entitled "Promises and Commitments," "Advance Understanding on Personnel Costs, Policies, and Procedures," "Labor Relations," and "Payment and Advances" by setting forth the basis for determining the allowability of those Contractor and Major Subcontractor human resource management policies and related expenses which have cost implications under the Contract. This agreement is intended to cover the majority of the human resources costs incurred by the Contractor for work performed by employees assigned to work tasks authorized by the Richland Operations Office in accordance with this Contract. Failure to mention an item of cost herein does not, however, imply that it is either allowable or unallowable.

The Contractor and Major Subcontractors shall select, employ, manage, and direct the work force; and, apply the policies set forth herein in general conformity with the methods used in the Contractor's private operations insofar as those methods are not inconsistent with this Contract. The Contractor shall use effective management review procedures and internal controls to assure that the allowable costs set forth herein are not exceeded, and that areas which require prior approval of the DOE Contracting Officer or designated representative are reviewed and approved prior to incurrence of costs.

Either party may request that this Appendix B be revised and the parties hereto agree to give consideration in good faith to any such request. Revisions to this Appendix B shall be accomplished by executing a reimbursement authorization as approved by the DOE Contracting Officer or designated representative. When revisions to this Appendix B are agreed upon, revised pages will be issued reflecting such changes and the effective date of such changes.

This Appendix B is adopted for the exclusive benefit and convenience of the parties hereto, and nothing contained herein shall be construed as conferring any right or benefit upon past, present, or future employees of the Contractor, or upon any other third party, including a Major Subcontractor. Accordingly, neither this Appendix B nor any part thereof, as amended or

modified, will be deemed to constitute a contract between a party hereto and any employee of the Contractor or Major Subcontractor or to be consideration for, or an inducement or condition of, the employment of any person, or to afford the basis for any claim or right of action whatsoever against a party hereto by any employee of the Contractor or other third party, including a Major Subcontractor.

The Contractor shall promptly furnish all reports and information required or otherwise indicated in this Appendix B to the Contracting Officer or designated representative. The Contractor and the Department of Energy recognize that other data requests may be made from time to time and the parties agree to cooperate in meeting such requests.

2.0 GENERAL

Subject to the specific limitations, conditions, and exclusions of Subpart 31.2 of the Federal Acquisition Regulations (FAR) as supplemented by DOE Acquisition Regulation (DEAR) 931.2, and to the special conditions set forth below, personnel and related costs incurred for work under this contract by the Contractor and Major Subcontractors in accordance with the Contractor's corporate-wide policies consistently and uniformly applied throughout the corporation's domestic operations, and which have been furnished to and accepted by DOE-RL, are allowable. Such policies will be summarized and submitted in the form of a Personnel Policies Manual applicable to this Contract.

Certain employees of the Contractor and Major Subcontractors, as agreed by the parties, transferred from an affiliate to work under the Contract may continue to participate in their corporate group insurance, pension and savings, and severance pay plans. Costs for such continued participation while assigned to work under the Contract shall be billed to the Contract pursuant to applicable FAR cost principles and/or Cost Accounting Standards. The DOE shall have no further obligation for costs incurred by the parent organizations on behalf of such employees after reassignment or termination from Contract work.

Revisions to corporate-wide or contract-only policies and employee benefit plans which increase costs will be provided to DOE-RL for review for allowability prior to incurrence of costs.

3.0 DEFINITIONS

Contractors

The Contractor – Fluor Daniel Hanford, Inc.

Major Subcontractors – Subcontractors included in the terms of this Appendix B and throughout this contract are:

B&W Hanford Company	Numatec Hanford Corporation
	Waste Management Federal Services of Hanford, Inc.

In addition, DynCorp Tri-Cities Services, Inc. and Protection Technology Hanford are included in the terms of this Appendix B,

Credited Service – Length of service for employees shall mean employment with the Contractor or Major Subcontractors (and other named Subcontractors) including recognized service with predecessor companies and other Contractor organizations. Service for employees who are hired from Westinghouse Hanford Company (WHC) and its integrated subcontractors shall include all credited service now recognized by WHC, including recognized credited service with predecessor DOE Hanford Contractors.

Earned service credits for assimilated employees of the Contractor and Major Subcontractors or their affiliates transferred to work under the Contract will be counted in the calculation of all service based benefits.

FAR – Federal Acquisition Regulation

Incumbent Contractor and integrated subcontractors – Westinghouse Hanford Company and its subcontractors, Boeing Computer Services and ICF Kaiser Hanford.

Workweek – The basic (or regular) workweek shall be 40 hours. Alternative workweeks may be established with the approval of the Contracting Officer.

4.0 DIRECT COMPENSATION

The Contractor shall submit its Compensation Program applicable to work under this Contract to the Contracting Officer for initial approval. Proposed Compensation Program design changes which affect costs will also be submitted for review and approval by the Contracting Officer.

4.1 Administration of Wages and Salaries of nonrepresented employees shall be carried out in accordance with sound wage and salary administration principles and in a manner which shall provide for equitable treatment of personnel on a definitive, systematic basis consistent with economic business practices and judicious expenditure of public funds and which shall result in payment of total compensation to individual employees conforming to the standards of reasonableness as contemplated by FAR Subpart 31.205-6.

4.1.1 Salary Increase Fund – Prior to each salary program year, the Contractor will develop and justify, in a manner prescribed by the Contracting Officer, a Salary Increase Fund for exempt employees and a Salary Increase Fund for nonexempt-nonbargaining employees for review and approval. The funds are calculated as a percentage of exempt and nonexempt-nonbargaining base payroll at the end of the prior salary year, expressed as an annualized amount.

All increases are charged to the fund on an annualized basis. Once an individual's salary increase is charged to the fund, reuse of that amount, i.e., recovery, for any other purpose during the salary year is unallowable. If an individual terminates before receiving an increase, the portion of the fund allocated for that increase may remain in the fund.

The Contractor shall also provide a copy of the annually developed salary guidelines prepared for supervisory use, indicating the parameters for granting various increases based on employee performance and current salary.

The dollar amounts of the funds shall be subject to review and adjustment by the Contracting Officer upon a significant reduction in Contractor employment levels, as in a reduction-in-force.

4.1.2 Individual Employee Salary Approval – The base annual salary costs for employees of the Contractor and Major Subcontractors designated as Key Personnel are reimbursable only to the extent each such salary has been approved on DOE Form 3220.5, Application for Contractor Compensation Approval, or other approved form, by the Contracting Officer.

The Contractor will provide supporting information with DOE Form 3220.5 (or other approved form) on all compensation actions well in advance of the proposed effective date.

4.1.3 Incentive Compensation and Bonuses and Project Assignment Allowances will not be allowable costs under this Contract.

- 4.1.4 Salary Structures – The Contractor shall establish separate salary structures containing position grades, classifications, and salary ranges for Exempt and for Nonexempt Nonbargaining employees who are assigned to work on the Contract. The structures shall be submitted to the Contracting Officer for review and approval in advance of incurrence of costs. No salary above the maximum of the salary range shall be allowable except in those cases where a “red circle” rate is authorized.
- 4.1.5 Overtime Control Plan – The Contractor shall submit to the Contracting Officer for approval an annual overtime control plan that includes at a minimum (1) an overtime premium fund (maximum dollar amount); (2) specific controls for casual overtime for nonexempt employees; and (3) an evaluation of alternatives to the use of overtime.

The Contractor shall submit to the Contracting Officer for approval any additional overtime premium funds or plan changes based on mission requirements.

The Contractor shall submit any request for an extended workweek to the Contracting Officer for approval. An extended work week is a workweek regularly scheduled and established in excess of the basic workweek of 40 hours and for a period of more than four consecutive weeks.

The Contractor shall submit a semi-annual report that includes for non-exempt and exempt employees:

- (1) Total cost of overtime;
- (2) Total cost of straight time;
- (3) Overtime cost as a percentage of straight-time cost;
- (4) Total overtime hours;
- (5) Total straight-time hours; and
- (6) Overtime hours as a percentage of straight-time hours.

Exempt employees are not eligible for overtime pay except as approved by the Contracting Officer.

Overtime pay shall be based on a 40-hour workweek.

Overtime work performed by employees of affiliate companies of the Contractor or Major Subcontractors, assigned to Contract work on a temporary basis, will be administered and paid in accordance with the policies of the affiliate.

4.1.6 Premium Pay – The Compensation Program shall contain provisions for any established premium payments to employees, such as overtime, shift differential and special qualification or certification pay.

4.1.7 Compensation Reports – The Contractor shall submit reports and information relating to the administration of wages, salaries and benefits as the Contracting Officer may require from time-to-time to evaluate the reasonableness of the Contractor's total compensation program.

4.2 Compensation - Employee Welfare and Other Benefit Plans

4.2.1 General

Net costs of employer payments for the following non-statutory employee benefit plans, as related to work under this Contract, are allowable subject to the limitations and conditions set out in FAR 31.2. The initial terms and conditions of the plans shall be submitted to and must be approved by the Contracting Officer. Copies of employee communications, such as Summary Plan Descriptions, shall be provided to DOE when issued. Costs incurred in the administration of the following plans are allowable:

- Life Insurance Plan
- Accidental Death & Dismemberment Plan
- Short Term Disability Plan
- Medical Insurance Plan (Indemnity, HMO, PPO, other)
- Dental Insurance Plan
- Vision Care Plan
- Long Term Disability Plan
- Retiree Medical and Life Insurance Plans

Other Benefit Plans

- Flexible Spending Account(s)
- Employee Assistance Program

4.2.2 Separation Pay

A. The cost of separation pay allowances for employees with one (1) or more years of continuous service who are laid off for lack of work will be allowable in accordance with the Contractor's policy. The initial policy, and any changes thereto which increase costs, require the approval of the Contracting Officer.

- B. In the event that responsibility for performance of work and services or operation of part or all of the Government-owned facilities under this Contract (including standby protection and maintenance functions) is assumed by another Contractor or Government agency, employees who are transferred to the employ of, or who are offered employment within their same classification or at positions of comparable responsibility by such Contractor or agency, which employment will commence within thirty (30) days after being laid off, will not be paid any separation pay allowance.

4.3 GROUP PENSION PLANS

- 4.3.1 General – Costs of the Contractor's and Major Subcontractors' participation with other Hanford Site Contractors in the Operations and Engineering Pension Plan, the Hanford Contractors Multi-Employer Pension Plan for HAMTC Represented Employees, and the Hanford Guards Union Pension Plan, or identical plans as approved by the Contracting Officer, will be allowable for the purpose of providing retirement benefits only to employees under the Contract, and former employees of predecessor Hanford Contractors, who are eligible to participate in one or the other of the Plans in accordance with their terms. The Plans must be established and maintained as qualified defined benefits plans under the regulations of the Internal Revenue Service. The Plan and Trust documents and any amendments thereto which effect substantive changes or increase costs are subject to the approval of DOE. With respect to each of the plans, the parties agree as follows:

4.3.2 Administration of the Plans

- A. Costs of employer contributions incurred and accrued under the terms of said plans and costs incurred in the course of their administration are allowable to the extent approved by DOE. All accounting for such contributions shall be on an accrual basis. At DOE's request, the Contractor shall provide an itemization of costs incurred for administration. The Plan Fund, not the Contractor, shall be liable for costs incurred in the course of administration.
- B. The Contractor will provide to DOE copies of the following annual reports within seven months following the close of each plan year:
 - (1) Accounting reports and annual actuarial valuations. The reports and valuations will include at least the information specified in DOE Order 3830.1.

- (2) IRS Form 5500 with schedules and attachments, as submitted to the Internal Revenue Service each year.
- (3) Financial Accounting Standards Board (FASB) Statement 87 Report. A copy of the FASB 87 report is prepared each year to satisfy the expense-reporting requirement of the Office of Management and Budget.

The final accounting period shall end with the effective date of Contract termination or expiration.

- C. Actuarial gains and losses developed by annual valuations will be taken into account for purposes of establishing contributions to the Plan as soon as reasonably possible and consistent with requirements of the Employee Retirement Income Security Act of 1974; amendments thereto; and, any other applicable laws.
- D. The aggregate annual contribution to the pension fund may range from the minimum specified by the Internal Revenue Code (IRC) Section 412(b) to the amount necessary to fully fund the year-end expected current liability. However, the aggregate annual contribution to each plan shall be no less than the minimum specified by IRC Section 412(b) nor greater than the tax deductible limit specified by the IRC Section 404. All contributions to the pension fund shall equal the total amount currently attributable to participants in the Plans. These contributions will be based on the actuarial valuation for the most recent Plan year. The fund shall be a trust.
- E. If requested by DOE to do so, the Contractor will participate in Pension Plans established on a multiple employer basis applicable to some or all DOE prime cost-type Contractors on the Hanford Site.
- F. The Contractor will take no action concerning the termination, merger, or spin-off or other action affecting the status of the plans as separate contract-only plans without the approval of the Contracting Officer. If the Contractor and DOE agree to termination of a defined benefit plan, the provisions of Sections 4.3.3 and 4.3.4 below will apply.
- G. Unless otherwise required by federal law or resulting from the collective bargaining process, no amendment to any of the Pension Plans shall result in allowable costs under this contract if the adoption date of such amendment is later than 12 months before the termination or expiration date of the Contract.

4.3.3 Actions Required at Contract Termination or Expiration

- A. No Replacement Contractor. In the event the Contract expires or is terminated without a replacement Contractor, all employee-accrued benefits are to become 100 percent vested immediately irrespective of the Plan's vesting schedule. All employees would receive benefits equivalent to the value of their vested portion consistent with the Employee Retirement Income Security Act (ERISA) of 1974.
- B. Replacement Contractor Situation. In the event of reassignment of all or a portion of the Contractor's work under this contract to a replacement Contractor(s) or upon termination or expiration of said contract followed by a replacement Contractor(s) the Contractor will assist DOE in the necessary arrangements for the replacement Contractor(s) to take over the Plans, Plan assets and Plan liabilities for the employees who transfer to the replacement Contractor. Such arrangements shall include preserving for these employees their Pension Service time under the Contract by carrying forward Contractor pension service time to the replacement Contractor. Granting of such service credits shall not result in duplicate benefits for the same service time.
- C. Change of Plan Sponsor. The DOE shall have the unilateral right to change a plan sponsor upon termination or expiration of the contract.
- D. Determination of Contract Service Pension Plan Assets and Liabilities.
 - (1) Contract Service Assets. Contract Service Assets shall be determined in accordance with B. above and shall include all assets attributable to DOE-funded employer contributions (including investment earnings thereon) and the employee accumulations (including investment earnings thereon) determined at current market value until the date of payment or transfer.
 - (2) Liabilities for Present and Future Benefits. The Contractor actuary shall determine liabilities for employee plan benefits as of the contract termination or expiration date. Except for active participants retained by the Contractor or Major Subcontractor, or an affiliate, and those switched over to a replacement Contractor, liabilities may be determined by purchase, through competitive bidding, of nonparticipating annuities.
 - (a) Pensioners, Survivors, and Terminated Vested Members. The liabilities for this class shall be equal to the present value of benefits attributable to Contract Service as of the effective date of termination for such pensioners, survivors, and terminated vested members who separated

from the Contractor or Major Subcontractor, or a predecessor Contractor, prior to the date of contract termination. The present value shall be calculated pursuant to Section 4.3.4 below.

- (b) Active Participants Retained by the Contractor, Major Subcontractor, or Affiliate. For active employees who are retained by one of the above, the present value of the projected benefits shall be calculated using the unit credit funding method, service and salary history as of the contract termination date, and pursuant to Section 4.3.4 below. When such employee subsequently terminates his/her employment within two years after contract termination, the value of the unvested portion shall revert to DOE.
- (c) Active Participants Terminated at Contract Termination or Expiration. For active employees who are not retained by the Contractor, Major Subcontractors, or affiliates, and who are not switched over to a replacement Contractor, the present value of vested accrued benefits shall be calculated pursuant to Section 4.3.4 below.
- (d) Active Participants Transferred to Replacement Contractor. No determination of accrued liabilities by the Contractor is required.

4.3.4 FINANCIAL REQUIREMENTS – Funds to be paid or transferred to any party as a result of settlements relating to pension plan termination or spinoff shall accrue interest from the effective date of termination or spinoff until the date of payment or transfer. The rate of accrued interest shall be negotiated in good faith between the parties to the Contract.

A. Terminating Operations, Including Plan Termination.

- (1) The Contractor shall calculate pension liabilities attributable to DOE contract work. For this purpose, DOE and the Contractor shall stipulate to one of the following as the basis for the frozen liability calculation:
 - (a) The market value of annuities,
 - (b) The rate of return on plan assets,
 - (c) The FASB 87 discount rate, or
 - (d) Any other appropriate discount rate.

- (2) If the DOE-reimbursed assets in the Plan exceed the frozen DOE liability which was calculated according to (1), the Contractor shall reimburse to DOE such excess, together with earnings on that excess.
- (3) If ERISA or the Internal Revenue Code restricts the full transfer of excess DOE reimbursed assets from the Plan, the Contractor shall pay any deficiency directly to DOE.
- (4) If assets are less than the frozen DOE liability which was calculated according to (1), DOE shall pay such difference to the Contractor subject to the availability of appropriated funds. These payments will be deposited into the pension plan of the terminated or expired Contractor.

B. Successor Contractor. Any DOE-reimbursed assets awaiting transfer to a successor trustee or to DOE shall be actively managed by the Contractor until the successor trustee or DOE is able to assume stewardship of those assets.

4.3.5 SPECIAL PROGRAMS – The Contractor shall advise DOE and receive prior approval for each early-out program, window benefit, disability program, plan loan feature, employee contribution refund, asset reversion, or incidental benefit.

4.4 GROUP SAVINGS PLANS

The Contractor and Major Subcontractors will maintain three savings plans for employees who are eligible to participate in accordance with their terms; two for bargaining unit employees and one for nonbargaining employees (exempt and nonexempt). The plans must be established and maintained as qualified defined contribution plans under the regulations of the Internal Revenue Service. The Plan and Trust documents and any amendments thereto which effect substantive changes or increase costs are subject to the approval of DOE. With respect to the Plans, the parties agree as follows:

- A. Costs of employer matching contributions incurred and accrued under the terms of the Plans are allowable. The Plan fund, not the Contractor, shall be liable for the costs incurred in the course of its administration.
- B. The Contractor will provide DOE with annual accounting reports within seven months after the close of a Plan year. In addition, a copy of IRS Form 5500 will be provided to DOE each year when prepared by the Contractor.

- C. Employee forfeitures of accrued benefits shall be in accordance with the terms of the Plan and such forfeitures shall be used to reduce Contractor contributions made on behalf of remaining participating employees.
- D. In the event of Contract expiration or termination, the Contractor, if requested by DOE to do so, will transfer to a replacement Contractor the Plan, Plan assets and Plan liabilities.
- E. In the event of Plan termination, including partial termination, resulting from such actions as reassignment, termination, or expiration of the Contract or termination of the Plan by the Contractor, Plan assets shall be distributed in accordance with the terms of the Plan relating to Plan termination and the provisions of the Employee Retirement Income Security Act (ERISA) of 1974, as amended. After satisfaction of all Plan liabilities if there are any Plan assets remaining which are permitted by law to revert to the Contractor, such assets shall become payable to the DOE no later than 30 days following the latest date the Plan assets are permitted to revert to the Contractor under ERISA or any other applicable law.
- F. The Contractor will take no action concerning termination, merger, spin-off, or other action affecting the status of the Plans as separate, contract-only plans without the approval of DOE.

4.5 PAID ABSENCES

- 4.5.1 Personal Time Off – A Personal Time Bank (PTB) will be established for eligible employees. Absences for leisure time off, personal time off, facility closure days (holidays), time away from work due to illness or injury, family emergencies or medical/dental appointments will be charged to the employee's PTB account if the employee wishes to receive pay for the absence. All absences of more than four hours will be charged to an exempt employee's PTB account.

Eligible Employee: Regular full-time or part-time exempt and salaried nonexempt employees.

Pay Rate: Hours taken as time off will be paid at the employee's base salary rate in effect at the time of absence.

Composition: Accrual rates will include the following

Vacation:	0-5 years service	80 hrs/yr
	>5 years service	120 hrs/yr

>10 years service	160 hrs/yr
>20 years service	200 hrs/yr

Holidays: 72 hours designated as facility closure
Days 8 hours designated by employee as floater

The facility closure days include New Year's Day, President's Day*, Memorial Day*, July 4th, Labor Day, Thanksgiving Day, Friday After Thanksgiving, December 24, and Christmas Day.

*These days are observed on the day specified by Federal Law

Sick Personnel:	Exempt	40 hrs/yr
	Salaried nonexempt	56 hrs/yr

Time Not Included: Absences for the following will not be taken from an employee's PTB account: Death in the Family (up to 5 days per event), Absences of less than four hours for exempt employees, EA Time (8 hours per year for employees who work north of the Wye Barricade), Jury Duty, Military, Road Conditions, Plant Injury, Volunteerism, and miscellaneous absences as defined in the PTB Policy.

Cash Out Provision: During periods of active service, eligible employees may request a partial cash out of accrued PTB hours.

- Employees will be allowed one cash out in a calendar year except in those cases where the employee is terminating.
- At least 120 hours must remain in the employee's account after the cash out.
- The maximum hours which may be cashed out in a calendar year are 40 hours in 1998, 80 hours in 1999, and 120 hours in 2000 and thereafter
- The rate of cash out will be at the base salary at the time of cash out. Cash out will be in one hour increments.

- Employees may opt to put the cash directly into their after-tax Savings Plan account.

Maximum PTB Hours: An employee may accumulate up to a maximum number of PTB hours as follows:

- | | |
|--------------------------|------------|
| • In 1998 | 720 hours |
| • In 1999 | 800 hours |
| • In 2000 | 900 hours |
| • In 2001 and thereafter | 1000 hours |

Implementation Plan and Schedule

Transition from the current salary continuance program to the PYB Program will be effective January 2, 1998. PTB will be implemented as follows:

- The first facility closure day, January 1, 1998, will be paid as a holiday under the current policy. It is not included in the 1998 PTB accrual.
- PTB will be front loaded with 40 hours (exempt) and 56 hours (salaried nonexempt) on January 2, 1998, and again on January 1, 1999.

EXEMPT ACCRUALS (hours per biweekly pay period)

	<u>1998</u>	<u>1999</u>	<u>2000</u>
0-5 years of service	5.85	6.15	7.69
5-10 years of service	7.38	7.69	9.23
10 to 20 years of service	8.92	9.23	10.77
More than 20 years of service	10.46	10.77	12.31

SALARIED NONEXEMPT ACCRUALS (hours per biweekly pay period)

	<u>1998</u>	<u>1999</u>	<u>2000</u>
0-5 years of service	5.85	6.15	8.31
5-10 years of service	7.38	7.69	9.85
10-20 years of service	8.92	9.23	11.38
More than 20 years of service	10.46	10.77	12.92

5.0 TRAVEL AND RELOCATION COSTS

Necessary and reasonable expenses incurred by employees and prospective employees for travel and relocation at the request of the company in connection with work under this Contract are allowable, subject to applicable provisions of FAR Subpart 31.2 and 31.205-46, except that no Project Assignment Allowance nor return relocation costs are allowable. In accordance with these regulations, Contractor employees, including Major Subcontractors, transferred from corporate entities will be administered under the Contractor's common Relocation and Travel policies which are subject to the review and approval of the Contracting Officer. Special allowances for relocation of employees of Numatec shall be as set out in Schedule I., attached hereto.

6.0 COLLECTIVE BARGAINING AGREEMENTS

Wage rates, benefits, and other allowances to be paid to or for bargaining unit employees shall require the approval of the Contracting Officer.

7.0 WORK FORCE RESTRUCTURING

The Contractor will comply with the requirements of the applicable Hanford Site Work Force Restructuring Plan which implements Section 3161 of the National Defense Authorization Act for Fiscal Year 1993. Costs associated with the implementation shall be allowable for those activities described in the applicable Plan

8.0 EMPLOYEE MORALE, RECREATION, AND WELFARE PROGRAMS

Costs incurred for such programs are allowable in an amount not to exceed twenty dollars (\$20.00) per employee per year.

SCHEDULE 1

**SPECIAL ALLOWANCES FOR COGEMA/SGN EMPLOYEES
ASSIGNED TO NUMATEC**

Changes were made to this schedule as a result of this modification, which changes are considered business sensitive and have been redacted. The schedule containing the changes that were redacted was approved by the Contracting Officer.

PART III - LIST OF DOCUMENTS EXHIBITS AND OTHER ATTACHMENTS

SECTION J

APPENDIX C

DOE DIRECTIVES

Federal Regulations and applicable Washington Administrative Code (i.e., WAC 173-303, etc.) governing DOE activities, and the following Directives are applicable to work and activities conducted/accomplished by Contractors at the Hanford Site. In addition, the applicability of given Environment, Safety, and Health (ES&H) Directives to a specific facility or work activity/project may be determined through the Standards/Requirements Identification Document (S/RID) process, as approved by the appropriate DOE authority. Upon approval of an S/RID, that set of requirements is the ES&H directive/requirements set applicable to the facility, work/activity or project and supersedes the ES&H directives included in this list of Directives.

DOE ORDERS AND NOTICES

<u>ORDER NUMBER</u>	<u>CHANGES</u>	<u>TITLE</u>
DOE O 130.1		Budget Formulation Process
DOE M 140.1-1A		Interface with the Defense Nuclear Facilities Safety Board
DOE O 151.1	1&2	Comprehensive Emergency Management System
DOE M 200.1-1		Telecommunications Security Manual (Except Chapter 2)
DOE N 205.1		Unclassified Cyber Security Program
DOE O 224.1		Contractor Performance-Based Business Management Process
DOE O 225.1A		Accident Investigations
DOE O 232.1A		Occurrence Reporting and Processing of Operations Information
DOE M 232.1-1A		Occurrence Reporting and Processing of Operations Information
DOE O 241.1		Scientific and Technical Information Management
DOE O 251.1A		Directives System Order
DOE O 311.1A		Equal Opportunity and Diversity Program
DOE O 350.1	1	Contractor Human Resources Management Programs
DOE O 413.1		Management Control Program

DOE O 414.1A		Quality Assurance
DOE O 440.2	1&2	Aviation
DOE M 440.2		Aviation Manual
DOE O 442.1		Department of Energy Employee Concerns Program
DOE O 460.1A		Packaging and Transportation Safety
DOE O 460.2		Departmental Materials Transportation and Packaging Management
DOE O 470.1		Safeguards and Security Program
DOE O 470.2		Safeguards and Security Independent Oversight Program
DOE O 471.1		Identification and Protection of Unclassified Controlled Nuclear Information
DOE O 471.2A		Information Security Program
DOE M 471.2-1B		Classified Matter Protection and Control Manual
DOE M 471.2-2		Classified Information Systems Security Manual
DOE O 472.1B		Personnel Security Activities
DOE M 473.2-1		Firearms Qualification Courses Manual
DOE N 473.1		Carrying Semiautomatic Pistols with a Round in the Chamber
DOE O 474.1		Control and Accountability of Nuclear Materials
DOE M 474.1-2	2	Nuclear Materials Management and Safeguards System Reporting and Data Submission
DOE M 475.1-1		Identifying Classified Information
DOE O 481.1		Work for Others (Non Department of Energy Funded Work)
DOE M 481.1-1		Reimbursable Work for Non-Federal Sponsors Process Manual
DOE O 534.1		Accounting
DOE 1220.1A	1	Congressional and Intergovernmental Affairs
DOE 1230.2		American Indian Tribal Government Policy
DOE 1240.2B	1	Unclassified Visits and Assignments by Foreign Nationals
DOE 1270.2B		Safeguards Agreement with the International Atomic Energy Agency
DOE 1300.2A		Department of Energy Technical Standards Program
DOE 1300.3		Policy on the Protection of Human Subjects
DOE 1324.5B	1	Records Management Program
DOE 1330.1D		Computer Software Management
DOE 1340.1B		Management of Public Communications Publications and Scientific, Technical and Engineering Publications
DOE 1350.1	1	Audiovisual and Exhibits Management
DOE 1410.2		Mail Management

DOE 1450.3A	1	Call Control/Verification Programs and Authorized Use of Government Telephone Systems
DOE 1450.4		Consensual Listening-In To Or Recording Telephone/Radio Conversations
DOE 1500.3	1-7	Foreign Travel Authorizations
DOE 1700.1	1-4	Freedom of Information Program
DOE 1800.1A	1	Privacy Act
DOE 2030.4B		Reporting Fraud, Waste, and Abuse to the Office of Inspector General
DOE 2100.8A		Cost Accounting, Cost Recovery, & Interagency Sharing of Information Technology Facilities
DOE 2110.1A	1&2	Pricing of Departmental Materials and Services
DOE 2300.1B		Audit Resolution and Follow-Up
DOE 2320.1C		Cooperation With the Office of the Inspector General
DOE 2320.2B		Establishment of Departmental Position on Inspector General Reports
DOE 3900.1B		Parking
DOE 4210.9A		Unsolicited Proposals
DOE 4330.2D		In-House Energy Management
DOE 4330.4B		Maintenance Management Program
DOE 5300.1C		Telecommunications
DOE 5400.1		General Environmental Protection Program
DOE 5400.5	1&2	Radiation Protection of the Public and the Environment
DOE 5440.1E		National Environmental Policy Act Compliance Program
DOE 5480.10		Contractor Industrial Hygiene Program
DOE 5480.11		Radiation Protection for Occupational Workers
DOE 5480.16A		Firearms Safety
DOE 5480.17		Site Safety Representatives
DOE 5480.19	1	Conduct of Operations Requirements for DOE Facilities
DOE 5480.20A		Personnel Selection, Qualifications, and Training Requirements for DOE Nuclear Facilities
DOE 5480.21		Unreviewed Safety Questions
DOE 5480.22	1&2	Technical Safety Requirements
DOE 5480.23	1	Nuclear Safety Analysis Reports
DOE 5480.24		Nuclear Criticality Safety
DOE 5480.26		Trending and Analysis of Operations Information Using Performance Indicators
DOE 5480.28		Natural Phenomena Hazards Mitigation
DOE 5480.30		Nuclear Reactor Safety Design Criteria
DOE 5480.31		Startup and Restart of Nuclear Facilities

DOE 5480.4	1-4	Environmental Protection, Safety, and Health Protection Standards
DOE 5480.6		Safety of DOE-Owned Nuclear Reactors
DOE 5480.7A		Fire Protection
DOE 5480.8A	1	Contractor Occupational Medical Program
DOE 5480.9A		Construction Project Safety and Health Management
DOE 5481.1B		Safety Analysis and Review System
DOE 5483.1A		Occupational Safety and Health Program for DOE Contractor Employees at Government-Owned Contractor-Operated (GOCO) Facilities
DOE 5484.1	1-7	Environmental Protection, Safety, and Health Protection Information Reporting Requirements (Except paragraphs 1 through 5, 6a(1) through (10), 6b, 6d, 6f(1) through (8) and the second misnumbered 6f, and Chapters I and II)
DOE 5530.1A		Accident Response Group
DOE 5530.2		Nuclear Emergency Search Team
DOE 5530.3	1	Radiological Assistance Program
DOE 5530.4		Aerial Measuring System
DOE 5530.5	1	Federal Radiological Monitoring and Assessment Center
DOE 5560.1A		Priorities and Allocations Program
DOE 5610.13		Joint Department of Energy/Department of Defense Nuclear Weapon Safety, Security, and Control Program
DOE 5610.14		Transportation Safeguards System Program Operations
DOE 5610.2	1	Control of Weapon Data
DOE 5632.1C		Protection and Control of Safeguards and Security Interests
DOE M 5632.1C-1	1	Manual for Protection and Control of Safeguards and Security Interests (Except Chapter III, paragraphs 1, 2, and 4 through 9)
DOE 5632.7A	1	Protection Force Program
DOE 5660.1B		Management of Nuclear Materials
DOE 5670.1A		Management and Control of Foreign Intelligence
DOE 5670.3		Counterintelligence Program
DOE 5800.1A		Research and Development Laboratory Technology Transfer Program
DOE 5820.2A		Radioactive Waste Management
DOE 6430.1A		General Design Criteria
DOE/RW-0333P	Rev. 8	Quality Assurance Requirements and Descriptions
SEN-15-90		National Environmental Policy Act
SEN-22-90		DOE Policy on Signatures of RCRA Permit Applications

SEN-30A-92	Staying the Course for Technology Transfer at the
	Department of Energy
SEN-35-91	Nuclear Safety Policy
SEN-39-92	Department of Energy Occupational Safety and Health
	(OSH) Incentives Program

S/RIDS

DOC. NUMBER	REVISION	TITLE
HNF-SD-MP-SRID-002	3	Fluor Daniel Hanford Contract
HNF-SD-MP-SRID-003	1	Plutonium Finishing Plant
WHC-SD-MP-SRID-007	1	Waste Encapsulation and Storage Facility
HNF-SD-SNF-RD-001	2	Spent Nuclear Fuel Project
HNF-SD-MP-SRID-006	1	Fast Flux Test Facility
HNF-SD-MP-SRID-008	1	324/327 Building
HNF-SD-MP-SRID-011	1	Waste Management Operations

RL DIRECTIVES

DOC. NUMBER	TITLE
RLID 232.1A	Notification, Reporting and Processing of Operations Information
RLID 430.1	Systems Engineering Criteria Document and Implementing Directive
RLID 470.1	Safeguards and Security Corrective Action Management System
RLID 470.2	Facility Approval and Registration of Activities
RLID 471.2B	Information Security Program
RLID 473.1	Protection of Safeguards and Security Interests
RLID 473.2	Hanford Site Access Eligibility
RLID 1300.1D	Richland Operations Office Facility Representative Program
RLID 1360.2B	Unclassified Computer Security Program
RLID 5000.1	Baseline Execution and Management Process
RLID 5000.2	Long Range Planning Process
RLID 5480.7	Fire Protection
RLID 5480.19	Conduct of Operations Requirements for RL
RLID 5480.29	RL Employee Concerns Program
RLID 5480.31	Startup and Restart of Nuclear Facilities

RLID 5633.3		Control and Accountability of Nuclear Materials at RL
RLID 5635.1		Special Access and Top Secret Access Authorization
RLID 5670.3A		Counterintelligence Program
RLIP 1322.1B		RL Forms Management
RLIP 5484.1A		Environmental Protection, Safety, and Health Protection
		Information Reporting Requirements
RLPD 430.1		Hanford Site Systems Engineering Policy
RLPD 450.1		Hanford Environment, Safety and Health Policy
RLPD 5000.1		Site Management System
DOE/RL-92-49		Radiological Assistance Program Plan - Region 8
DOE/RL-94-02		Hanford Emergency Management Plan
DOE/RL-92-36		Hanford Site Hoisting and Rigging Manual
DOE/RL-94-125		Federal Building Self Protection Plan
HSL&T-1		Hanford Site Lock and Tag Standard
DOE/RL-94-97		Selection of Analytical Methods for Mixed Waste Analysis
		at Hanford
DOE/RL-94-55		Hanford Analytical Services QA Plan
DOE/RL-96-68	2	Hanford Analytical Services Quality Assurance
		Requirements Document
DOE-0223		RL Emergency Implementing Procedures
DOE-0225		Hanford Emergency Assessment Resource Manual
		(HEARM)

**PART III - LIST OF DOCUMENTS
EXHIBITS AND OTHER ATTACHMENTS**

SECTION J

APPENDIX D

**PERFORMANCE OBJECTIVES, MEASURES, EXPECTATIONS
AND INCENTIVES**

Modification M088 incorporates the following performance incentives into the contract:

- | | |
|-------------|---|
| 1. FDH-RC-1 | Facilities and Systems Operational for SNF Movement |
| 2. FDH-RC-2 | Accelerate 324/327 Deactivation |
| 3. FDH-CP-1 | Provide Waste Management Services |
| 4. FDH-CP-2 | Stabilize Pu |
| 5. FDH-CP-3 | Retrieve and Ship TRU Offsite |
| 6. FDH-CP-4 | Treat and Dispose MLLW |
| 7. FDH-AS-1 | Assist in the Creation of Non-Hanford Jobs |
| 8. FDH-AS-2 | Transition Excess Property for Re-Use/Sale |

Modification M090 incorporates the following performance incentives into the contract:

- | | |
|----------------------|----------------------------------|
| 1. FDH-Comprehensive | Comprehensive Performance |
| 2. FDH-RC-1SS | Accelerate SNF Movement |
| 3. FDH-RC-2SS | Continue Acceleration of 324/327 |
| 4. FDH-RC-3SS | Disposition U |
| 5. FDH-CP-2SS | Stabilize Additional Pu |

This modification incorporates the following FY 2001 performance incentives into the contract:

- | | |
|----------------------|--|
| 1. FHI-RC-1 | SNF Movement |
| 2. FHI-RC-2 | 324/327 Deactivation |
| 3. FHI-RC-3 | Disposition 200 & 300 Area Uranium |
| 4. FHI-RC-4 | Accelerate Readiness To Receive K Basin Sludge |
| 5. FH-CP-1 | Provide Waste Management Support |
| 6. FHI-CP-2 | Stabilize Pu |
| 7. FHI-CP-3 | Manage, Treat and Dispose Radioactive Waste |
| 8. FHI-AS-1 | Assist in the Creation of Non-Hanford Jobs |
| 9. FHI-Comprehensive | Comprehensive Performance |

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

SECTION 1

GENERAL INFORMATION

Performance Incentive Number: FDH-CP-2
Performance Incentive Short Title: **Stabilize Pu**
Revision Number & Date: Rev. 1, 07/24/00
Maximum Available Incentive Fee: 29% of (available fee in Contract Clause B.4 minus \$3M)
Performance Incentive Type: ☒ Regular ☒ Stretch ☐ Superstretch
(check appropriate box)

SECTION 2

PERFORMANCE OUTCOMES

Check appropriate box:

- ☐ Outcome #1: Restore the River Corridor for multiple uses
☒ Outcome #2: Transition Central Plateau to support long-term waste management
☐ Outcome #3: Put DOE Assets to work for the Future

SECTION 3

PERFORMANCE OBJECTIVE(S), MEASURES AND EXPECTATIONN(S)

List associated performance objectives, measures, and performance expectations. Identify associated PBS # for each performance objective and/or measures as appropriated.

Performance Objective: Disposition Pu, U, & Cs/Sr Capsules,

PBS RL TP-05

Measure 1 - Pu metal/oxides/other types dispositioned

1.a. Pu metal/oxide/polycubes stabilized (items)

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch</u>
* FY00	400	450 to 1000 @ 50 Increment
FY01	501	NA
FY02	1428	NA
FY03	2295	NA
FY04	1281	NA
FY05	0	

1.b. Pu Solutions stabilized (liter)

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch</u>
* FY00	255	280-380 @ 20 Increment
FY01	2045	NA
FY02	1960	NA
FY03	0	NA
FY04	0	NA
FY05	0	NA

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

1.c. Pu Residues stabilized (Kg bulk)

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch</u>
* FY00	29	60 to 300 @ 30 increments
FY01	0	NA
FY02	1491	NA
FY03	1515	NA
FY04	374	NA
FY05	0	NA

1.d. Stabilized PU packaged (BTS cans)

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch</u>
FY00	N/A	1
FY01	300	NA
FY02	700	NA
FY03	800	N/A
FY04	900	N/A

SECTION 4 FEE SCHEDULE

Identify fee schedule by performance objective and/or measure(s)

Regular = 40% of the fee available for this Performance Incentive

Stretch = 60% of the fee available for this Performance Incentive

* At least 100 items must be processed under 1.a. and 80 liters must be processed via MgOH under 1.b. and 7 Kg bulk residue must be processed under 1.c. before the contractor is eligible to earn fee for any of the stretch expectations.

1.a. Pu metal/oxide/polycube stabilized (items)

Regular = 16% of available fee for this PI

Stretch = 24% of available fee for this PI

450 items = 2% of available fee for this PI

500 items = 4% of available fee for this PI

550 items = 6% of available fee for this PI

600 items = 8% of available fee for this PI

650 items = 10% of available fee for this PI

700 items = 12% of available fee for this PI

750 items = 14% of available fee for this PI

800 items = 16% of available fee for this PI

850 items = 18% of available fee for this PI

900 items = 20% of available fee for this PI

950 items = 22% of available fee for this PI

1000 items = 24% of available fee for this PI

1.b. Pu Solutions stabilized (liter)

Regular = 16% of available fee for this PI

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

Stretch = 14% of available fee for this PI
280 liters = 3% of available fee for this PI
300 liters = 6% of available fee for this PI
320 liters = 8% of available fee for this PI
340 liters = 10% of available fee for this PI
360 liters = 12% of available fee for this PI
380 liters = 14% of available fee for this PI

1.c. Pu Residues stabilized (Kg bulk)

Regular = 8% of available fee for this PI
Stretch = 16% of available fee for this PI
60 Kg bulk = 2% of available fee for this PI
90 Kg bulk = 4% of available fee for this PI
120 Kg bulk = 6% of available fee for this PI
150 Kg bulk = 8% of available fee for this PI
180 Kg bulk = 10% of available fee for this PI
210 Kg bulk = 12% of available fee for this PI
240 Kg bulk = 14% of available fee for this PI
270 Kg bulk = 15% of available fee for this PI
300 Kg bulk = 16% of available fee for this PI

1.d. Stabilized Pu Packaged (BTS cans)

Regular = N/A
Stretch = 6% of available fee for this PI

Note: Fiscal year 01 through 05 are provided for future planning purposes only. No fee is assigned to these items in FY00.

SECTION 5

PERFORMANCE REQUIREMENTS

PREVIOUS YEAR'S GATEWAY: *Describe previous year's gateway (if applicable) that must be completed before fee can be paid under this performance measure. The requirements listed below are the gateway only requirements for this Performance Measure. (N/A in FY 2000)*

GENERAL REQUIREMENTS: In order to earn incentive fee under this Performance Incentive, the Contractor shall:

1. Meet the specific completion criteria and expectations set forth in this Performance Incentive; and
2. Not incur any unfavorable cost variance $[(BCWP - ACWP)/BCWP]$ greater than 5.0 percent, or incur any unfavorable schedule variance $[(BCWP - BCWS)/BCWS]$ greater than 7.5 percent, measured at the Project Baseline Summary level at the end of FY 2000.

DEFINE COMPLETION: *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared).*

The plutonium materials stabilization is considered complete when:

- 1.a. Plutonium oxides are considered stabilized when they have met the DOE-STD-3013 stabilization criteria (thermally stabilized at 950 degrees C for two hours, have a measured LOI of less than 0.5%), and are packaged and placed in vault storage.

Plutonium metal is considered stabilized when it has been brushed to remove surface oxide and has been packaged in a BTS container and placed in vault storage. The brushed oxide must be treated as described above except for the one item required to meet the stretch performance measure 1.d. For the special case in which plutonium metal must be stabilized in accordance with the criteria

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

established by the enhanced metal surveillance plan, prior to the availability of the BTS, that Plutonium metal may be stabilized via oxidation and the oxide created stabilized in accordance with the paragraph immediately preceding.

Polycubes are considered stabilized when they have been treated to eliminate the organic constituents, the residue of that process has been thermally stabilized to meet the DOE-STD-3013 stabilization criteria (950 degrees C for two hours, an LOI of less than 0.5% has been measured), and the stabilized material is packaged and placed in vault storage.

- 1.b. Plutonium solution is considered stabilized when the plutonium has been separated from the solution, the plutonium residue has been thermally stabilized to meet the DOE-STD-3013 stabilization criteria (950 degrees C for two hours, an LOI of less than 0.5% has been measured), and the stabilized material is packaged and placed in vault storage.
- 1.c. Plutonium residues are considered stabilized when they are treated (if required) and placed in a drum/pipe, and meet the Hanford Site Waste Acceptance Program criteria which incorporates the current WIPP Waste Acceptance Criteria (WAC) requirements.
- 1.d. For purposes of this measure, the plutonium is considered packaged when the material and packaging meet the requirements of the DOE-STD-3013 "inner can" and routine inner packaging operations are initiated

Plutonium oxides, metal, alloys, solutions and residues are also considered stabilized when they have been sent to another site for treatment or disposition. Plutonium materials (Pu, Pu + U) removed from the Hanford DNFSB 94-1 inventories through other means (e.g., sent to tank farms) shall also be considered stabilized.

All packaging shall be in DOE-STD-3013 compliant container except as follows:

HCC or facility approved (e.g., food pack) container may be used as package containers until the BTS/3013 is available (in full operations).

Metal shall be packaged in the BTS inner can.

Residues shall be packaged as appropriate to meet Hanford Site Waste Program and WIPP WAC requirements.

DEFINITIONS: *(define terms)*

HCC	Hanford Convenience Can
LOI	Loss On Ignition (or approved substitute) – a test to determine product moisture content
WIPP	Waste Isolation Pilot Project
BTS	Bagless Transfer System
Liters	For purposes of calculating liters processed, it is assumed that each solution bottle contains the full volume of solutions (e.g. A 10 liter bottle contains 10 liters of solution).
Furnace Days	The number of thermal stabilization muffle furnaces installed and planned for process operation of a thermal stabilization activity (oxides processing, polycube processing, solutions processing, and metals processing as examples) times the number of work days in a particular period of interest.
Items	For purposes of calculating oxides/metal/polycubes, an item is assumed to be foodpack cans. One foodpack can of Polycubes is counted as two items toward completion of the measure. However, credit toward completion of the measure shall not change the method of reporting MYWP and EM performance metrics.

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

For the special case where Plutonium metal items must be stabilized in accordance with the criteria established by the enhanced metal surveillance plan, prior to the availability of the BTS, the metal items converted to oxide and stabilized are counted on an equivalency basis calculated from the quantity of oxides stabilized during a period of four calendar weeks beginning July 17, 2000. The equivalency is as follows:

Pu metal items oxidized and stabilized, packaged and placed into vault storage will be credited towards the oxides stabilization criteria at a rate calculated based upon work performed during the four calendar weeks (a minimum of the 18 regularly scheduled work days). For the regularly scheduled workdays, five furnaces shall be considered planned and for any additional workdays only the actual furnaces in operation will be considered. The actual equivalency will be calculated by establishing the number of oxide items stabilized during the period and dividing that by the number of furnace days for the period. That yields the number of items per furnace day produced. That number is then compared with the actual experience of stabilization of those metal items (46 furnace days for 7 metal items) that must be stabilized prior to the availability of the BTS.

For example, the four calendar week period starting July 17 contains 18 work days. Multiplied by 5 furnaces yields 90 furnace days. If 180 oxide items are stabilized during the same period that yields 2 oxide items per furnace day. Taking that to the number of furnace days expended stabilizing the metals 46, gives 92 oxide items that would have been stabilized during the period and yields an equivalency of $92/7=13.1$ oxide items per metal item.

Routine Packaging Consecutive containers are processed/welded and moved to, or staged for, the next processing step. Minor adjustments and maintenance is allowed. Excessive delay (greater than 7 days) due to ATP/OTP oversights for the bagless transfer equipment and directly supporting facility systems will invalidate initiation of routine packaging.

COMPLETION DOCUMENTS LIST: *(In addition to the Completion Notice the document(s) that should be submitted/data that should be available/actions to be taken by evaluator, to determine actual performance to the requirements stated above).*

The documentation which must be readily available and an item crosswalk document provided to demonstrate completion of this Performance Incentive:

(The documents listed below may be classified, and the document record number will be referenced in the Completion Package.)

1.a. For plutonium oxides (PU, PU+U), a table providing each original container number, the run number it was processed in, the LOI sample results for that run (including sample number), and current vault storage container number shall be provided.

For plutonium metal, a table providing the original container number for each metal piece dispositioned, the amount of oxide removed, the new metal weight, the current vault storage container number, the run number for calculation of the brushed oxide, LOI data for that run, and current vault storage container number. For purposes of computing the item equivalent for the special case metals, a Thermal Stabilization logbook documenting the workdays during the 4 week period and a table identifying the oxide items stabilized during that time period.

For polycubes, a table providing each original container number, the run number(s) it was processed in, the LOI sample results for those runs (including sample number), and current vault storage container number shall be provided.

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

- 1.b. For plutonium solutions, the bottle numbers associated with each batch, the furnace run numbers for the resulting precipitate treatment (or prototype calciner or other labs run number), LOI data for those runs, and current vault storage container numbers. Note: It is recognized that there will likely be some mixing of solution between runs as the result of heels. It is not expected that this be accounted for in the data provided for this Performance Incentive.
- 1.c. For plutonium residues, a table providing each original container number and its bulk weight, the treatment/repackaging run number, the can number of the material after treatment/repackaging, and the WIPP drum or pipe number it was placed in and the approved Waste Profile Sheets for each container.
- 1.d. For stabilized plutonium packaged, a table providing the current vault storage container (BTS) number, leak check results and a crosswalk to the stabilization data provided as completion validation for measures 1.a. and 1.b. of this Performance Incentive.

Records shall be available that can be used to verify the data in the table provided. The evaluator shall verify the data using a sampling technique.

ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS AND REMEDY STATED: *(For reasonably foreseeable impacts to performance which are not covered under the Contract. If the assumption or condition proves false the remedy shall be in effect. If remedy is not possible the next step is renegotiations).*

WIPP waste acceptance requirements (WAC) currently being used to develop the Hanford Site Solid Waste Acceptance Program and used to develop the Plutonium residues disposition path forward at PFP. If changes to the WIPP WAC and Hanford certification place additional requirements on PFP this PI will be revisited.

LOI will remain an acceptable method for measuring moisture content of the material covered by this PI to demonstrate meeting the DOE-STD-3013 stabilization standard. If the standard is updated requiring a different method to be performed this PI will be revisited.

The bagless transfer equipment provided by Savannah River Site (SRS) will be delivered in accordance with the memorandum of Understanding established between Hanford and SR. DOE guarantees delivery (to Hanford) of bagless transfer equipment provided by Savannah River Site (SRS) within 22 weeks of FDH delivery (at SRS) of Hanford supplied glovebox. If DOE fails to meet this commitment this PI will be renegotiated.

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

**SECTION 6
SIGNATURES**

G. W. Jackson, Vice President
Nuclear Material Stabilization

Date

R. D. Hanson, President & CEO
Fluor Hanford, Inc.

Date

J. M. Augustenborg, Acting Assistant Manager
For Nuclear Materials & Facility Stabilization

Date

K. A. Klein, Manager
Richland Operations Office

Date

**PART III - LIST OF DOCUMENTS
EXHIBITS AND OTHER ATTACHMENTS**

SECTION J

APPENDIX E

MANAGEMENT AND INTEGRATION PLAN

INTRODUCTION

This plan shall be developed and maintained by the Contractor and shall be the executive summary of the total management process the Contractor will use at Hanford. A key element of this plan is the proposed management system including integrated technical, cost, and schedule control requirements. The plan will define the approach the Contractor will use to accomplish the work as defined in Section C, Statement of Work. The plan shall include the Subcontractor structure to best integrate and manage operational tasks and project activities.

The Contractor shall also provide the following subject specific plans which expand on the discussion in the management and integration plan as appendices to it:

A. **Integrated Environment, Safety & Health Management System (ISMS) Plan**

Specific guidance on the PHMC ISMS Plan is found in the clause entitled, "Integration of Environment, Safety, and Health Into Work Planning and Execution," of this contract.

B. **Safeguards and Security Plan**

The Safeguards and Security Plan shall be consistent with the DOE's requirements as detailed in the 5600-series of DOE Orders and the Richland Operations Office 5600-series of Implementing Directives. The Plan shall take into consideration risk prioritization in security, the current efforts to reduce security clearances and the security management program now in place.

This Plan shall also describe the administrative, technical, physical, and personnel safeguards employed to the unclassified computer systems and applications that process sensitive information using a graded approach based on the value and sensitivity of the information. The Plan shall address contingency and disaster recovery plans; risk management processes; security awareness and training programs; procedures for detecting, analyzing, and reporting computer security incidents including unauthorized

access to computer resources; and certification procedures as described in applicable DOE Orders.

The Plan shall describe the process that will ensure the protection of classified Automated Information Systems and data in accordance with the provisions of applicable DOE Orders.

C. Systems Engineering Management Plan

The Systems Engineering Management Plan shall describe in detail the approach the Contractor will take to integrate a Systems Engineering functional analysis in which mission requirements drive functions, and functions drive architecture, into the overall management and integration of the Hanford workscope as detailed in Section C, Statement of Work. System engineering techniques and principles shall be utilized to establish the technical integrity of the workscope. Innovative technologies shall be evaluated against the baseline.

D. Risk Management Plan

The Contractor shall provide a Risk Management Plan which describes the system to be used for identifying, evaluating, assessing and mitigating site risks of all types (e.g., financial, technical, safety, mortgages, environment, etc.). The Plan shall also describe how risk management is integrated and implemented into planning, work prioritization, and sitewide decision-making. The application of innovative technologies to mitigate the risks is expected.

E. Reserved

F. Economic Transition and Outsourcing Plan

The Contractor shall provide an Economic Transition Plan which identifies short and long-term plans necessary to meet EM and Hanford Strategic Goals and to attain Hanford's desired end states.

The Outsourcing Plan shall include, consistent with applicable collective bargaining agreements, recommendations for outsourcing pieces of the work. When presenting its recommendations to the DOE for outsourcing, the Contractor shall address the impact(s) on affected employees, applicable collective bargaining agreements, relevant provisions of Section 3161 of P.L. 102-484 and/or the approved Section 3161, Workforce Restructuring Plan.

In the Economic Transition, the Contractor should use innovation and creativity to accomplish the following outcomes:

- Contribute to economic stabilization of the Tri-Cities.
- Leverage economic development benefits for the local community from the execution of this contract.
- Through economic development and diversification, create new local employment opportunities to help offset Hanford job losses.
- Reduce DOE Capital Expenditures for New/Renovated facilities/equipment.
- Reduce fixed Hanford infrastructure/operations costs.
- Plan and develop a low ratio of integrator employees to subcontract employees.
- Startup venture or seed capital funding sources to assist bona-fide technology business. "Best in Class" systems to be rewarded for successful technology commercialization.
- Lease or sell excess or under-utilized site assets for commercial/private sector use.
- Identify national/international markets where companies can do business while performing work at Hanford.
- Identify sharing arrangements for royalties, licenses, and equity participation as part of a Technology Commercialization incentive program.

G. Litigation Management Plan

The purposes of the Litigation Management Plan will be to control the cost of litigation, to provide for an appropriate level of private counsel, and to define reporting requirements.

The Plan shall comply with the Guidelines set in Contractor Litigation Cost Policies, 61 CFR 14763, April 13, 1996 and such further instructions as provided by the Contracting Officer.

H. Diversity Plan

Specific guidance on the preparation of a Diversity Plan is found in Appendix G of this Section J.

I. Information Resources Management Plan

The Contractor shall develop an Information Resources Management plan that integrates the entire site and provides compatibility with the present systems. For example, the Contractor shall choose a financial system that best integrates the entire financial data of the site, provides prompt information as required, and provides data that can be used for decisions. The Contractor shall provide a system compatible with present equipment.

J. Internal Audit Plan

The Contractor shall submit an annual plan for internal audits of the Contractor and for audits of major onsite, cost reimbursement subcontractors. The Plan shall list planned actual audits or areas to be audited and a schedule for such audits. The official audit report(s), including the working papers (as required), shall be submitted or made available to the Contracting Officer or his/her designee.

K. Sitewide Qualification and Training Plan

In order to provide consistency with personnel qualification on the Hanford Site, the Contractor shall submit a sitewide Qualification and Training Plan which shows how the Contractor will ensure that all personnel working at the Hanford Site meet and maintain qualification and training requirements in accordance with DOE and other applicable regulations. The plan shall include:

- (1) Assignment of responsibilities both with DOE-RL and any Hanford central training organizations.
- (2) How the Contractor will use a single point of contact project management approach to integrate and track the best available training resources to meet the diverse training needs of the Hanford Site.
- (3) How the Contractor will recognize and use equivalent training and/or reciprocity for training.
- (4) A system to track flowdown of training requirements to subcontractors.

- (5) How the “Best in Class” and “Make or Buy” approach will be used to identify and use high quality training while eliminating redundant and duplicate programs.
- (6) A system to track training completed (needs to be part of Human Resources “People Soft” system (see Section C.2.C (3))).

L. Integrated Hanford Communication Plan

The Contractor shall develop an Integrated Hanford Communication Plan detailing how the full range of stakeholders will receive information in a timely, accurate, complete, and business-like manner. The Plan shall include the requirements of DOE’s Openness Initiatives and Public Involvement Policies.

**PART III - LIST OF DOCUMENTS
EXHIBITS AND OTHER ATTACHMENTS**

SECTION J

APPENDIX F

**ENVIRONMENT, SAFETY, AND HEALTH BUDGET
PLANNING AND EXECUTION**

The following represents additional criteria for environment, safety and health budget planning and execution, to be included as part of the requirements of the clause entitled, "Integration of Environment, Safety and Health into Work Planning and Execution" (June 1997), Paragraphs (d) and (e), of this contract.

1. ES&H PLAN FOR BUDGET EXECUTION YEAR

- Respond to the most recent Unicall Submittal, incorporate budget decisions, and include any new information for the upcoming execution year.

1.1 ES&H Risk Management Conclusions

- Summarize the risk management conclusions for the upcoming execution year (updated to reflect recent budgeting decisions), including a summary decision of the major risks and important ES&H issues being managed at the facility.

1.2 ES&H Budget Summary

- Summarize the ES&H budget for the upcoming execution year (analogous to the cost prepared for the Unicall Submittal).

1.3 Performance Measures and Commitments

- Include the proposed ES&H performance commitments (measures) for the upcoming execution year. It is important that these performance measures address the most significant risks identified, and have performance criteria that are measurable.

2. SUMMARY OF PREVIOUS YEAR'S ES&H PERFORMANCE

- Provide a summary of the previous year's ES&H performance, including the actual costs of implementing the ES&H activities.

2.1 Status of Performance Measures and Commitments

- Status of the previous year's performance with respect to the measures and commitments negotiated for the previous year.
- Summary level conclusions from the previous year's self assessments of ES&H programs and activities.
- Status of any major commitments arising from Consent Orders or Agreements with State Agencies or the EPA regarding environmental/ecological obligations.

2.2 Summary of Actual Costs

- Summarize the actual ES&H expenditures for the previous year, and how this information will be used in preparing the ES&H Plan for the next budget cycle.

(See DOE letter 98-PRO-645 clarifying Appendix F.)

**PART III - LIST OF DOCUMENTS
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SECTION J

APPENDIX G

**GUIDANCE FOR
PREPARATION OF DIVERSITY PLAN**

The purpose of this Guidance is to assist the Contractor in understanding the information being sought by the Department for each of the Diversity elements and where these issues may already be addressed in a contract package. To the extent these issues are already addressed in a contract, the Contractor need only summarize or cross reference the parts of the Plan already developed elsewhere in the contract.

Work Force

This contract includes certain provisions on Equal Opportunity and Affirmative Action. These provisions are found in clauses contained in Section I, entitled, FAR 52.222-26 Equal Opportunity (FEB 1999), FAR 52-222-27 Affirmative Action Compliance Requirements For Construction (FEB 1999), FAR 52.222-35 Affirmative Action For Special Disabled Veterans And Veterans Of The Vietnam Era (APR 1998), FAR 52.222-36 Affirmative Action For Workers With Disabilities (JUN 1998), and FAR 52.222-37 Employment Reports On Disabled Veterans And Veterans Of The Vietnam Era (JAN 1999), and regulatory guidance is found at FAR Part 22 (48 CFR Part 22). The Contractor should discuss its policies and plans for implementation of these provisions in its operations. If the Contractor already has procedures in place, these should be discussed and copies of any policies provided.

Educational Outreach

The Contractor should outline or discuss any programs already provided, or which it intends to provide, which will provide employees an opportunity to improve their employment skills and opportunities. These programs may already be discussed in the offer submitted under this RFP or in the executed contract and could include: educational assistance allowances, provision for outside training programs either during or outside regular work hours, and executive training programs for non-executive employees. The Contractor should also discuss any plans to participate in any programs supporting Historically Black Colleges and Universities.

Employee training and educational opportunities may also be subject to collective bargaining agreements at the site. If that is the case, it is not the Department's intent that the Contractor

develop an independent structure for employee training and educational opportunities. In preparation of its Diversity Plan, the Contractor should outline the requirements already placed on it under existing bargaining agreements, discuss any proposals for changes to be raised at any future bargaining sessions, and discuss any educational or training programs which it operates, or will operate, independently of those provided by the unions.

Community Involvement and Outreach

An offer submitted under a RFP or contained in the executed contract may include a section already dealing with community involvement and outreach activities. In that event, those sections may be cross referenced and do not need to be repeated. Contractor community relations activities could include support for the following activities: support for science, mathematics and engineering education; support for community service organizations; assistance to governmental and community service organizations and for equal opportunity activities; and community assistance in connection with work force reduction plans. The Contractor may provide support to these activities through direct sponsorship or making individual employees available to work with the specific community activity. Depending upon the terms negotiated between the Department and the Contractor, some of these costs may be reimbursable. The Contractor's Diversity Plan should discuss the Contractor's existing and planned activities promoting community involvement of its employees as well as the corporation.

Subcontracting

The RFP or finalized contract action will contain FAR 52.219-9 "Small Business Subcontracting Plan" (OCT 1999) and other small business related clauses. (see Section I, Clauses entitled, FAR 52.219-8 Utilization Of Small Business Concerns (OCT 1999), FAR 52.219-9 Small Business Subcontracting Plan (OCT 1999), FAR 52.219-10 Incentive Subcontracting Program (JAN 1999), and FAR 52.219-16 Liquidated Damages--Subcontracting Plan (JAN 1999). Additionally, the RFP contains additional guidance in an Appendix entitled "Small Business Subcontracting Plan" (see Section J, Appendix I). If the Contractor has already met the requirements under the contract clause entitled, "Small Business Subcontracting Plan," and the referenced Appendix, this information should be briefly summarized and/or provided as an attachment to the Diversity Plan. If the Contractor is participating, or plans to participate, in the Department's Mentor Protege Program, this involvement, or planned involvement, should be summarized or discussed. Information concerning its subcontracting plans already developed and submitted by the Contractor does not need to be redeveloped or renegotiated by the Contractor.

Economic Development (Including Technology Transfer)

Many of the Department's contract actions include Technology Transfer provisions which may be found in the H Section, Special Contract provisions, or among the patent and intellectual

property clauses of Section I, Standard Clauses. Planning or activities developed under the Technology Transfer clause may apply to this element of the Contractor's Diversity Plan. Additionally, some of the subcontracting activities planned by the Contractor with small business or small disadvantaged businesses may be entered into for the purpose of assisting the economic development of or transferring technology to such a business. The Contractor's Diversity Plan should outline and discuss its planned activities promoting economic diversification of the local community.

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SECTION J

APPENDIX H

FEE PLAN

FOR THE PERIOD OCTOBER 1, 1996 – SEPTEMBER 30, 1997

The total available fee pool for FY 97 as set forth in the clause entitled “Estimated Cost and Fee” of this Contract will be allocated as follows:

Base Fee – none
Award Fee – none
Performance fee – 100%

The Specific dollars assigned as positive level expectations to the Section J Appendix D level column are deducted from the total dollars allocated to performance fee before any further allocations occur.

The remaining performance fee amount will be allocated to the objective, measures and/or expectations as follows:

Objectives (except Mega objective) – 61.5%
Expectations – None
Mega Objective – 38.5%

This 61.5% of the performance fee allocated to objectives and measures is further suballocated as follows:

Individual objective or measure – the specific percentage of fee assigned to an individual objective or measure is set forth with that particular objective or measure in Section J Appendix D. The sum of these individual percentages equals 102.5%. The percentage of fee assigned in the particular objective or measure is therefore a percent of the above 61.5% divided by 1.025.

Negative objectives and expectations are treated as follows:

One objective and certain economic transition expectations have negative incentives assigned. Each negative incentive is expressed in terms of a dollar amount. The specific dollar amount assigned to the objective and to each expectation is stated in the objective and in the particular expectation respectively and is located in Section J, Appendix D. If the objective or expectation is not met, the specific dollar amount will be deducted from the total amount of fee earned. In no event will the amount deducted for failure to meet the objective or an expectation exceed the total amount of fee earned.

**PART III - LIST OF DOCUMENTS
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SECTION J

APPENDIX H

FEE PLAN

FOR THE PERIOD OCTOBER 1, 1997 – SEPTEMBER 30, 1998

1. The total available fee pool for FY 98 as set forth in the clause entitled “Estimated Cost and Fee” of this Contract is allocated as follows:

Base Fee – none
Award Fee – none
Performance fee – 100%

2. 85% of the total available fee pool in the contract clause entitled “Estimated Cost and Fee” is allocated to the critical few objectives, measures, and expectations, as follows:

Objectives – 8.5%
Measures – 4.75%
Expectations – 86.75%

The specific percentage of fee assigned to an individual objective, measure, or expectation is set forth in Section J, Appendix D, Attachment II. Available fee is suballocated into fee for baseline performance, increased performance, and negative fee for poor performance. If the contractor fails to meet a given performance objective, measure, or expectation, a negative incentive fee will result (if applicable). The specific amount will be deducted from the total amount of fee earned. However, in no event will the amount deducted for failure to meet performance objectives, measures, or expectations exceed the total amount of fee earned on all incentives.

3. 15% of the total available fee pool in the contract clause entitled “Estimated Cost and Fee” is allocated to a MEGA incentive. The DOE Performance Expectation Plan for FDH Company Performance During the Twelve-Month Evaluation Period, Ending September 30, 1998, dated December 23, 1997, establishes the bases to measure performance.

**PART III - LIST OF DOCUMENTS
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SECTION J

APPENDIX H

FEE PLAN

FOR THE PERIOD OCTOBER 1, 1998 – SEPTEMBER 30, 1999

1. The total available fee pool for FY99 as set forth in the clause entitled “Estimated Cost and Fee” of this Contract is allocated as follows:

Base Fee – none
Award Fee – none
Performance fee – 100%

2. 70 percent of the total available fee pool in the clause entitled “Estimated Cost and Fee” is allocated to the critical few objectives, measures, and expectations, as follows:

Objectives – 0.0%
Measures – 0.0%
Expectations – 100%

The specific percentage of fee assigned to an individual objective, measure, or expectation is set forth in Section J, Appendix D, Attachment III. Available fee is suballocated into fee for baseline performance, increased performance, and negative fee for poor performance. If the contractor fails to meet a given performance objective, measure, or expectation, a negative incentive fee will result (if applicable). The specific amount will be deducted from the total amount of fee earned. However, in no event will the amount deducted for failure to meet performance objectives, measures, or expectations exceed the total amount of fee earned on all incentives.

3. 30 percent of the total available fee pool in contract clause entitled “Estimated Cost and Fee,” is allocated to a MEGA incentive. The *DOE Performance Expectation Plan for FDH Company Performance During the Twelve-Month Evaluation Period, Ending September 30, 1999*, dated October 1, 1998, establishes the bases to measure performance.

**PART III - LIST OF DOCUMENTS
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SECTION J

APPENDIX H

FEE PLAN

FOR THE PERIOD OCTOBER 1, 1999 - SEPTEMBER 30, 2000

1. The total available fee pool for FY00 as set forth in Clause B.4 entitled "Estimated Cost and Fee" of this Contract is allocated as follows:

Base Fee - none
Award Fee - none
Performance fee - 100%

2. \$3 million of the available positive incentive fee in Clause B.4, and \$5.95 million of negative incentive fee, is allocated to a Comprehensive Incentive. The performance incentive "FDH-Comprehensive" establishes the bases to measure comprehensive performance. The remaining performance fee amount is allocated to the objective, measures and/or expectations as follows:

Objectives – 0.0%
Measures – 0.0%
Expectations – 100%

3. The specific percentage of fee assigned to an individual objective, measure, or expectation is set forth in the Performance Incentives. Available fee is suballocated into fee for regular performance, stretch performance, and negative fee for poor performance. If the contractor fails to meet a given performance objective, measure, or expectation, a negative incentive fee will result (if applicable). For negative incentive fee, the specific amount will be deducted from the total amount of fee otherwise earned. However, in no event will the amount deducted for failure to meet performance objectives, measures, or expectations exceed the total amount of fee earned on all regular and stretch incentives.

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**FEE PLAN
SECTION J**

APPENDIX H

FOR THE PERIOD OCTOBER 1, 2000 – SEPTEMBER 30, 2001

1. The total available fee pool for FY01 as set forth in Clause B.4 entitled “Estimated Cost and Fee” of this Contract is allocated as follows:

Base Fee – none
Award Fee – none
Performance fee – 100%

2. 20% of the available positive incentive fee in Clause B.4, and -15.2% of negative incentive fee, is allocated to a Comprehensive Incentive. The performance incentive “FHI – Comprehensive” establishes the bases to measure comprehensive performance. The remaining performance fee amount is allocated to the objectives, measures and/or expectations as follows:

Objective – 0.0%
Measures – 0.0%
Expectations – 100%

3. The specific percentage of fee assigned to an individual objective, measure, or expectation is set forth in the Performance Incentives. Available fee is suballocated into fee for regular performance, stretch performance, and negative fee for poor performance. If the contractor fails to meet a given performance objective, measure, or expectation, a negative incentive fee will result (if applicable). For negative incentive fee, the specific amount will be deducted from the total amount of fee otherwise earned. However, in no event will the amount deducted for failure to meet performance objectives, measures, or expectations exceed the total amount of fee earned on all regular and stretch incentives.

Section J

Appendix I

Small Business Subcontracting Plan

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SECTION J

APPENDIX I

**SMALL BUSINESS
SUBCONTRACTING PLAN**

(ATTACHMENT FOLLOWS)

Small, Small Disadvantaged and Woman-Owned Small Business
Subcontracting Plan for FY 1999

November 29, 1998

Consisting of 6 pages including this face sheet

[for further information on the Subcontracting Plan, please visit the website below:]

<http://www.hanford.gov/phmc/contract/mods/m069/index.html>

**Small, Small Disadvantaged and Woman-Owned Small Business
Subcontracting Plan for FY 1998**

January 28, 1998

consisting of 7 pages
including this face sheet

[for further information on the Subcontracting Plan, please visit the website below:]

<http://www.hanford.gov/phmc/contract/mods/m039/index.html>

Small, Small Disadvantaged and Woman-Owned Small Business
Subcontracting Plan for FY 1997
Revised

January 28, 1997

consisting of 7 pages
including this face sheet

[for further information on the Subcontracting Plan, please visit the website below:]

<http://www.hanford.gov/phmc/contract/mods/m039/index.html>

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APPENDIX J

PROJECT HANFORD

Information regarding DOE organization charts for the Hanford Site work is available on the Internet at <http://www.hanford.gov/doe/hrm/org/charts.htm>.

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SECTION J

APPENDIX K

ORGANIZATIONAL CONFLICT OF INTEREST

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SECTION J

APPENDIX L

CUSTOM COMPUTER SOFTWARE AGREEMENT

Section J

Appendix M

Wage Determinations Under the Service Contract Act

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SECTION J

APPENDIX M

**WAGE DETERMINATIONS UNDER THE
SERVICE CONTRACT ACT**

(The following wage determinations apply)

<u>Att. #</u>	<u>Wage Determination #</u>	<u>Application Period</u>	<u>Mod. #</u>	<u># of Pages</u>
1	94-2570, Rev. 3	8/6/96 to 8/6/97	Original	22
2	94-2569, Rev. 3	8/6/96 to 8/6/97	M074	11
3	94-2569, Rev. 5 94-2570, Rev. 4	8/6/97 to 8/6/98 8/6/97 to 8/6/98	M074 M074	22
4	94-2569, Rev. 8	8/6/98 to 8/6/99	M074	14
5	98-109, Rev. 00 94-2570, Rev. 6	Per Collective Bargaining Agreements 8/6/98 to 8/6/99	M039 M039	17

(Note: Of the above wage determinations, the following were issued to FDH subcontractors under the Blanket Wage Determination Program with the identified application dates).

<u>Wage Determination #</u>	<u>Application Date</u>
94-2569, Rev. 3	2/28/96 to 2/28/97
94-2569, Rev. 5	2/28/97 to 2/28/98
94-2569, Rev. 8	2/28/98 to 2/28/99

SECTION J
APPENDIX M
Attachment 1

<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
94-2570, Rev. 3	8/6/96 to 8/6/97	22 (Pages issued in original contract)

Note: Electronic copy can be found at:

<http://www.hanford.gov/phmc/contract/conformed/section-j.html#M>

SECTION J
APPENDIX M
Attachment 2

<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
94-2569, Rev. 3	8/6/96 to 8/6/97	11

Note: Electronic copy can be found at:

<http://www.hanford.gov/phmc/contract/mods/m074/index.html>

SECTION J
APPENDIX M
Attachment 3

<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
94-2569, Rev. 5	8/6/97 to 8/6/98	22
94-2570, Rev. 4	8/6/97 to 8/6/98	Included above

Note: Electronic copy can be found at:

<http://www.hanford.gov/phmc/contract/mods/m074/index.html>

SECTION J
APPENDIX M
Attachment 4

<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
94-2569, Rev. 8	8/6/98 to 8/6/99	14

Note: Electronic copy can be found at:

<http://www.hanford.gov/phmc/contract/mods/m074/index.html>

SECTION J
APPENDIX M
Attachment 5

<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
98-0109, Rev. 00	Per Collective Bargaining Agreements	7
94-2570, Rev. 6	8/6/98 to 8/6/99	10
(pages issued in Mod M039)		

Note: Electronic copy can be found at:

<http://www.hanford.gov/phmc/contract/mods/m039/index.html>

Section J

Appendix N

"Special Bank Account Agreement For Use With The
Checks-Paid Method of Letter of Credit Financing
October 1, 1999 Through September 30, 2000"

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SECTION J

APPENDIX N

**SPECIAL BANK ACCOUNT AGREEMENT FOR USE WITH
THE CHECKS – PAID METHOD OF LETTER OF CREDIT
FINANCING**

OCTOBER 1, 1998, THROUGH SEPTEMBER 30, 1999

(For the most recent version of Modification M037, please go to the following Internet site:

<http://www.hanford.gov/phmc/contract/mods/m037/index.html>

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This modification incorporates the following performance incentives into the contract:

- | | |
|-------------|---|
| 1. FDH-RC-1 | Facilities and Systems Operational for SNF Movement |
| 2. FDH-RC-2 | Accelerate 324/327 Deactivation |
| 3. FDH-CP-1 | Provide Waste Management Services |
| 4. FDH-CP-2 | Stabilize Pu |
| 5. FDH-CP-3 | Retrieve and Ship TRU Offsite |
| 6. FDH-CP-4 | Treat and Dispose MLLW |
| 7. FDH-AS-1 | Assist in the Creation of Non-Hanford Jobs |
| 8. FDH-AS-2 | Transition Excess Property for Re-Use/Sale |

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**FEE PLAN
SECTION J**

APPENDIX H

FOR THE PERIOD OCTOBER 1, 1999 - SEPTEMBER 30, 2000

1. The total available fee pool for FY00 as set forth in Clause B.4 entitled "Estimated Cost and Fee" of this Contract is allocated as follows:

Base Fee - none
Award Fee - none
Performance fee - 100%

2. \$3 million of the available positive incentive fee in Clause B.4, and \$5.95 million of negative incentive fee, is allocated to a Comprehensive Incentive. The performance incentive "FDH-Comprehensive" establishes the bases to measure comprehensive performance. The remaining performance fee amount is allocated to the objective, measures and/or expectations as follows:

Objectives – 0.0%
Measures – 0.0%
Expectations – 100%

3. The specific percentage of fee assigned to an individual objective, measure, or expectation is set forth in the Performance Incentives. Available fee is suballocated into fee for regular performance, stretch performance, and negative fee for poor performance. If the contractor fails to meet a given performance objective, measure, or expectation, a negative incentive fee will result (if applicable). For negative incentive fee, the specific amount will be deducted from the total amount of fee otherwise earned. However, in no event will the amount deducted for failure to meet performance objectives, measures, or expectations exceed the total amount of fee earned on all regular and stretch incentives.

This modification incorporates the following performance incentives into the contract:

- | | |
|----------------------|----------------------------------|
| 1. FDH-Comprehensive | Comprehensive Performance |
| 2. FDH-RC-1SS | Accelerate SNF Movement |
| 3. FDH-RC-2SS | Continue Acceleration of 324/327 |
| 4. FDH-RC-3SS | Disposition U |
| 5. FDH-CP-2SS | Stabilize Additional Pu |

Section J

Appendix M

Wage Determinations Under the Service Contract Act

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SECTION J

APPENDIX C

DOE DIRECTIVES

Federal Regulations and applicable Washington Administrative Code (i.e., WAC 173-303, etc.) governing DOE activities, and the following Directives are applicable to work and activities conducted/accomplished by Contractors at the Hanford Site. In addition, the applicability of given Environment, Safety, and Health (ES&H) Directives to a specific facility or work activity/project may be determined through the Standards/Requirements Identification Document (S/RID) process, as approved by the appropriate DOE authority. Upon approval of an S/RID, that set of requirements is the ES&H directive/requirements set applicable to the facility, work/activity or project and supersedes the ES&H directives included in this list of Directives.

DOE ORDERS AND NOTICES

<u>ORDER NUMBER</u>	<u>CHANGES</u>	<u>TITLE</u>
DOE O 130.1		Budget Formulation Process
DOE M 140.1-1A		Interface with the Defense Nuclear Facilities Safety Board
DOE O 151.1	1&2	Comprehensive Emergency Management System
DOE M 200.1-1		Telecommunications Security Manual (Except Chapter 2)
DOE N 205.1		Unclassified Cyber Security Program
DOE O 224.1		Contractor Performance-Based Business Management Process
DOE O 225.1A		Accident Investigations
DOE O 232.1A		Occurrence Reporting and Processing of Operations Information
DOE M 232.1-1A		Occurrence Reporting and Processing of Operations Information
DOE O 241.1		Scientific and Technical Information Management
DOE O 251.1A		Directives System Order
DOE O 311.1A		Equal Opportunity and Diversity Program
DOE O 350.1	1	Contractor Human Resources Management Programs
DOE O 413.1		Management Control Program
DOE O 414.1A		Quality Assurance
DOE O 440.2	1&2	Aviation

DOE M 440.2		Aviation Manual
DOE O 442.1		Department of Energy Employee Concerns Program
DOE O 460.1A		Packaging and Transportation Safety
DOE O 460.2		Departmental Materials Transportation and Packaging Management
DOE O 470.1		Safeguards and Security Program
DOE O 470.2		Safeguards and Security Independent Oversight Program
DOE O 471.1		Identification and Protection of Unclassified Controlled Nuclear Information
DOE O 471.2A		Information Security Program
DOE M 471.2-1B		Classified Matter Protection and Control Manual
DOE M 471.2-2		Classified Information Systems Security Manual
DOE O 472.1B		Personnel Security Activities
DOE M 473.2-1		Firearms Qualification Courses Manual
DOE N 473.1		Carrying Semiautomatic Pistols with a Round in the Chamber
DOE O 474.1		Control and Accountability of Nuclear Materials
DOE M 474.1-2	2	Nuclear Materials Management and Safeguards System Reporting and Data Submission
DOE M 475.1-1		Identifying Classified Information
DOE O 481.1		Work for Others (Non Department of Energy Funded Work)
DOE M 481.1-1		Reimbursable Work for Non-Federal Sponsors Process Manual
DOE O 534.1		Accounting
DOE 1220.1A	1	Congressional and Intergovernmental Affairs
DOE 1230.2		American Indian Tribal Government Policy
DOE 1240.2B	1	Unclassified Visits and Assignments by Foreign Nationals
DOE 1270.2B		Safeguards Agreement with the International Atomic Energy Agency
DOE 1300.2A		Department of Energy Technical Standards Program
DOE 1300.3		Policy on the Protection of Human Subjects
DOE 1324.5B	1	Records Management Program
DOE 1330.1D		Computer Software Management
DOE 1340.1B		Management of Public Communications Publications and Scientific, Technical and Engineering Publications
DOE 1350.1	1	Audiovisual and Exhibits Management
DOE 1410.2		Mail Management
DOE 1450.3A	1	Call Control/Verification Programs and Authorized Use of Government Telephone Systems
DOE 1450.4		Consensual Listening-In To Or Recording Telephone/Radio Conversations
DOE 1500.3	1-7	Foreign Travel Authorizations
DOE 1700.1	1-4	Freedom of Information Program

DOE 1800.1A	1	Privacy Act
DOE 2030.4B		Reporting Fraud, Waste, and Abuse to the Office of Inspector General
DOE 2100.8A		Cost Accounting, Cost Recovery, & Interagency Sharing of Information Technology Facilities
DOE 2110.1A	1&2	Pricing of Departmental Materials and Services
DOE 2300.1B		Audit Resolution and Follow-Up
DOE 2320.1C		Cooperation With the Office of the Inspector General
DOE 2320.2B		Establishment of Departmental Position on Inspector General Reports
DOE 3900.1B		Parking
DOE 4210.9A		Unsolicited Proposals
DOE 4330.2D		In-House Energy Management
DOE 4330.4B		Maintenance Management Program
DOE 5300.1C		Telecommunications
DOE 5400.1		General Environmental Protection Program
DOE 5400.5	1&2	Radiation Protection of the Public and the Environment
DOE 5440.1E		National Environmental Policy Act Compliance Program
DOE 5480.10		Contractor Industrial Hygiene Program
DOE 5480.11		Radiation Protection for Occupational Workers
DOE 5480.16A		Firearms Safety
DOE 5480.17		Site Safety Representatives
DOE 5480.19	1	Conduct of Operations Requirements for DOE Facilities
DOE 5480.20A		Personnel Selection, Qualifications, and Training Requirements for DOE Nuclear Facilities
DOE 5480.21		Unreviewed Safety Questions
DOE 5480.22	1&2	Technical Safety Requirements
DOE 5480.23	1	Nuclear Safety Analysis Reports
DOE 5480.24		Nuclear Criticality Safety
DOE 5480.26		Trending and Analysis of Operations Information Using Performance Indicators
DOE 5480.28		Natural Phenomena Hazards Mitigation
DOE 5480.30		Nuclear Reactor Safety Design Criteria
DOE 5480.31		Startup and Restart of Nuclear Facilities
DOE 5480.4	1-4	Environmental Protection, Safety, and Health Protection Standards
DOE 5480.6		Safety of DOE-Owned Nuclear Reactors
DOE 5480.7A		Fire Protection
DOE 5480.8A	1	Contractor Occupational Medical Program
DOE 5480.9A		Construction Project Safety and Health Management
DOE 5481.1B		Safety Analysis and Review System
DOE 5483.1A		Occupational Safety and Health Program for DOE Contractor Employees at Government-Owned Contractor- Operated (GOCO) Facilities

DOE 5484.1	1-7	Environmental Protection, Safety, and Health Protection Information Reporting Requirements (Except paragraphs 1 through 5, 6a(1) through (10), 6b, 6d, 6f(1) through (8) and the second misnumbered 6f, and Chapters I and II)
DOE 5530.1A		Accident Response Group
DOE 5530.2		Nuclear Emergency Search Team
DOE 5530.3	1	Radiological Assistance Program
DOE 5530.4		Aerial Measuring System
DOE 5530.5	1	Federal Radiological Monitoring and Assessment Center
DOE 5560.1A		Priorities and Allocations Program
DOE 5610.13		Joint Department of Energy/Department of Defense Nuclear Weapon Safety, Security, and Control Program
DOE 5610.14		Transportation Safeguards System Program Operations
DOE 5610.2	1	Control of Weapon Data
DOE 5632.1C		Protection and Control of Safeguards and Security Interests
DOE M 5632.1C-1	1	Manual for Protection and Control of Safeguards and Security Interests (Except Chapter III, paragraphs 1, 2, and 4 through 9)
DOE 5632.7A	1	Protection Force Program
DOE 5660.1B		Management of Nuclear Materials
DOE 5670.1A		Management and Control of Foreign Intelligence
DOE 5670.3		Counterintelligence Program
DOE 5800.1A		Research and Development Laboratory Technology Transfer Program
DOE 5820.2A		Radioactive Waste Management
DOE 6430.1A		General Design Criteria
DOE N 5400.9		Sealed Radioactive Source
DOE N 5480.11		Extension of Radiological Control Manual, Rev. 1
DOE/RW-0333P	Rev. 8	Quality Assurance Requirements and Descriptions
SEN-15-90		National Environmental Policy Act
SEN-22-90		DOE Policy on Signatures of RCRA Permit Applications
SEN-30A-92		Staying the Course for Technology Transfer at the Department of Energy
SEN-35-91		Nuclear Safety Policy
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WHC-SD-MP-SRID-007	1	Waste Encapsulation and Storage Facility
HNF-SD-SNF-RD-001	2	Spent Nuclear Fuel Project
HNF-SD-MP-SRID-006	1	Fast Flux Test Facility
HNF-SD-MP-SRID-008	1	324/327 Building
HNF-SD-MP-SRID-011	1	Waste Management Operations

RL DIRECTIVES

DOC. NUMBER	TITLE
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RLID 471.2B	Information Security Program
RLID 473.1	Protection of Safeguards and Security Interests
RLID 473.2	Hanford Site Access Eligibility
RLID 1300.1D	Richland Operations Office Facility Representative Program
RLID 1360.2B	Unclassified Computer Security Program
RLID 5000.1	Baseline Execution and Management Process
RLID 5000.2	Long Range Planning Process
RLID 5480.7	Fire Protection
RLID 5480.19	Conduct of Operations Requirements for RL
RLID 5480.29	RL Employee Concerns Program
RLID 5480.31	Startup and Restart of Nuclear Facilities
RLID 5633.3	Control and Accountability of Nuclear Materials at RL
RLID 5635.1	Special Access and Top Secret Access Authorization
RLID 5670.3A	Counterintelligence Program
RLIP 1322.1B	RL Forms Management
RLIP 5484.1A	Environmental Protection, Safety, and Health Protection Information Reporting Requirements
RLPD 430.1	Hanford Site Systems Engineering Policy
RLPD 450.1	Hanford Environment, Safety and Health Policy
RLPD 5000.1	Site Management System
DOE/RL-92-49	Radiological Assistance Program Plan - Region 8
DOE/RL-94-02	Hanford Emergency Management Plan
DOE/RL-92-36	Hanford Site Hoisting and Rigging Manual
DOE/RL-94-125	Federal Building Self Protection Plan
HSL&T-1	Hanford Site Lock and Tag Standard

DOE/RL-94-97		Selection of Analytical Methods for Mixed Waste Analysis at Hanford
DOE/RL-94-55		Hanford Analytical Services QA Plan
DOE/RL-96-68	2	Hanford Analytical Services Quality Assurance Requirements Document
DOE-0223		RL Emergency Implementing Procedures
DOE-0225		Hanford Emergency Assessment Resource Manual (HEARM)
DOE/RL-96-109	2	Hanford Site Radiological Control Manual (HSRCM-1, Rev. 2)

Section J

Appendix N

"Special Bank Account Agreement For Use With The
Checks-Paid Method of Letter of Credit Financing
October 1, 1999 Through September 30, 2000"

Section J

Appendix I

Small Business Subcontracting Plan

DOE 1340.1B		Management of Public Communications Publications and Scientific, Technical and Engineering Publications
DOE 1350.1	1	Audiovisual and Exhibits Management
DOE 1410.2		Mail Management
DOE 1450.3A	1	Call Control/Verification Programs and Authorized Use of Government Telephone Systems
DOE 1450.4		Consensual Listening-In To Or Recording Telephone/Radio Conversations
DOE 1500.3	1-7	Foreign Travel Authorizations
DOE 1700.1	1-4	Freedom of Information Program
DOE 1800.1A	1	Privacy Act
DOE 2030.4B		Reporting Fraud, Waste, and Abuse to the Office of Inspector General
DOE 2100.8A		Cost Accounting, Cost Recovery, & Interagency Sharing of Information Technology Facilities
DOE 2110.1A	1&2	Pricing of Departmental Materials and Services
DOE 2300.1B		Audit Resolution and Follow-Up
DOE 2320.1C		Cooperation With the Office of the Inspector General
DOE 2320.2B		Establishment of Departmental Position on Inspector General Reports
DOE 3900.1B		Parking
DOE 4210.9A		Unsolicited Proposals
DOE 4330.2D		In-House Energy Management
DOE 4330.4B		Maintenance Management Program
DOE 5300.1C		Telecommunications
DOE 5400.1		General Environmental Protection Program
DOE 5400.5	1&2	Radiation Protection of the Public and the Environment
DOE 5440.1E		National Environmental Policy Act Compliance Program
DOE 5480.10		Contractor Industrial Hygiene Program
DOE 5480.16A		Firearms Safety
DOE 5480.17		Site Safety Representatives
DOE 5480.19	1	Conduct of Operations Requirements for DOE Facilities
DOE 5480.20A		Personnel Selection, Qualifications, and Training Requirements for DOE Nuclear Facilities
DOE 5480.21		Unreviewed Safety Questions
DOE 5480.22	1&2	Technical Safety Requirements
DOE 5480.23	1	Nuclear Safety Analysis Reports
DOE 5480.24		Nuclear Criticality Safety
DOE 5480.26		Trending and Analysis of Operations Information Using Performance Indicators

DOE 5480.28		Natural Phenomena Hazards Mitigation
DOE 5480.30		Nuclear Reactor Safety Design Criteria
DOE 5480.31		Startup and Restart of Nuclear Facilities
DOE 5480.4	1-4	Environmental Protection, Safety, and Health Protection Standards
DOE 5480.6		Safety of DOE-Owned Nuclear Reactors
DOE 5480.7A		Fire Protection
DOE 5480.8A	1	Contractor Occupational Medical Program
DOE 5480.9A		Construction Project Safety and Health Management
DOE 5481.1B		Safety Analysis and Review System
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DOE 5800.1A		Research and Development Laboratory Technology Transfer Program
DOE 5820.2A		Radioactive Waste Management

DOE 6430.1A		General Design Criteria
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RLID 1300.1D	Richland Operations Office Facility Representative Program
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RLID 5480.31		Startup and Restart of Nuclear Facilities
RLID 5633.3		Control and Accountability of Nuclear Materials at RL
RLID 5635.1		Special Access and Top Secret Access Authorization
RLID 5670.3A		Counterintelligence Program
RLIP 1322.1B		RL Forms Management
RLIP 5484.1A		Environmental Protection, Safety, and Health Protection
		Information Reporting Requirements
RLPD 430.1		Hanford Site Systems Engineering Policy
RLPD 450.1		Hanford Environment, Safety and Health Policy
RLPD 5000.1		Site Management System
DOE/RL-92-49		Radiological Assistance Program Plan - Region 8
DOE/RL-94-02		Hanford Emergency Response Plan
DOE/RL-92-36		Hanford Site Hoisting and Rigging Manual
DOE/RL-94-125		Federal Building Self Protection Plan
HSL&T-1		Hanford Site Lock and Tag Standard
DOE/RL-94-97		Selection of Analytical Methods for Mixed Waste Analysis at Hanford
DOE/RL-94-55		Hanford Analytical Services QA Plan
DOE/RL-96-68	2	Hanford Analytical Services Quality Assurance Requirements Document
DOE-0223		RL Emergency Implementing Procedures
DOE-0225		Hanford Emergency Assessment Resource Manual (HEARM)

PART III - LIST OF DOCUMENTS EXHIBITS AND OTHER ATTACHMENTS

SECTION J

APPENDIX C

DOE DIRECTIVES

Federal Regulations and applicable Washington Administrative Code (i.e., WAC 173-303, etc.) governing DOE activities, and the following Directives are applicable to work and activities conducted/accomplished by Contractors at the Hanford Site. In addition, the applicability of given Environment, Safety, and Health (ES&H) Directives to a specific facility or work activity/project may be determined through the Standards/Requirements Identification Document (S/RID) process, as approved by the appropriate DOE authority. Upon approval of an S/RID, that set of requirements is the ES&H directive/requirements set applicable to the facility, work/activity or project and supersedes the ES&H directives included in this list of Directives.

DOE ORDERS AND NOTICES

<u>ORDER NUMBER</u>	<u>CHANGES</u>	<u>TITLE</u>
DOE O 110.3		Conference Management
DOE O 130.1		Budget Formulation Process
DOE M 140.1-1A		Interface with the Defense Nuclear Facilities Safety Board
DOE O 151.1	1&2	Comprehensive Emergency Management System
DOE M 200.1-1		Telecommunications Security Manual (Except Chapter 2)
DOE N 205.1		Unclassified Cyber Security Program
DOE G 205.3-1		Password Guide
DOE N 205.3		Password Generation, Protection, and Use
DOE O 210.1	1&2	Performance Indicators and Analysis of Operations
DOE O 224.1		Contractor Performance-Based Business Management Process
DOE O 225.1A		Accident Investigations
DOE O 232.1A		Occurrence Reporting and Processing of Operations Information
DOE M 232.1-1A		Occurrence Reporting and Processing of Operations Information

DOE O 241.1		Scientific and Technical Information Management
DOE O 251.1A		Directives System Order
DOE O 252.1		Technical Standards Program
DOE O 311.1A		Equal Opportunity and Diversity Program
DOE O 350.1	1	Contractor Human Resources Management Programs
DOE O 413.1		Management Control Program
DOE O 414.1A		Quality Assurance
DOE O 425.1A		Startup and Restart of Nuclear Facilities
DOE O 440.2	1&2	Aviation
DOE M 440.2		Aviation Manual
DOE O 442.1		Department of Energy Employee Concerns Program
DOE O 460.1A		Packaging and Transportation Safety
DOE O 460.2		Departmental Materials Transportation and Packaging Management
DOE O 470.1		Safeguards and Security Program
DOE O 470.2		Safeguards and Security Independent Oversight Program
DOE O 471.1		Identification and Protection of Unclassified Controlled Nuclear Information
DOE O 471.2A		Information Security Program
DOE M 471.2-1B		Classified Matter Protection and Control Manual
DOE M 471.2-2		Classified Information Systems Security Manual
DOE O 472.1B		Personnel Security Activities
DOE M 473.2-1		Firearms Qualification Courses Manual
DOE N 473.1		Carrying Semiautomatic Pistols with a Round in the Chamber
DOE N 473.4		DOE Badges
DOE O 474.1		Control and Accountability of Nuclear Materials
DOE M 474.1-2	2	Nuclear Materials Management and Safeguards System Reporting and Data Submission
DOE M 475.1-1		Identifying Classified Information
DOE O 481.1		Work for Others (Non Department of Energy Funded Work)
DOE M 481.1-1		Reimbursable Work for Non-Federal Sponsors Process Manual
DOE O 534.1		Accounting
DOE 1220.1A	1	Congressional and Intergovernmental Affairs
DOE 1230.2		American Indian Tribal Government Policy

DOE 1240.2B	1	Unclassified Visits and Assignments by Foreign Nationals
DOE 1270.2B		Safeguards Agreement with the International Atomic Energy Agency
DOE 1300.3		Policy on the Protection of Human Subjects
DOE 1324.5B	1	Records Management Program
DOE 1330.1D		Computer Software Management
DOE 1340.1B		Management of Public Communications Publications and Scientific, Technical and Engineering Publications
DOE 1350.1	1	Audiovisual and Exhibits Management
DOE 1410.2		Mail Management
DOE 1450.3A	1	Call Control/Verification Programs and Authorized Use of Government Telephone Systems
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DOE 1500.3	1-7	Foreign Travel Authorizations
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RLPD 450.1		Hanford Environment, Safety and Health Policy
RLPD 5000.1		Site Management System
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DOE/RL-91-31	4	Hanford Site Waste Minimization and Pollution Awareness Program Plan
DOE/RL-94-02		Hanford Emergency Response Plan
DOE/RL-92-36		Hanford Site Hoisting and Rigging Manual
DOE/RL-94-125		Federal Building Self Protection Plan
HSL&T-1	1	Hanford Site Lock and Tag Standard

DOE/RL-94-97		Selection of Analytical Methods for Mixed Waste Analysis at Hanford
DOE/RL-94-55		Hanford Analytical Services QA Plan
DOE/RL-96-68	2	Hanford Analytical Services Quality Assurance Requirements Document
DOE-0223		RL Emergency Implementing Procedures
DOE-0225		Hanford Emergency Assessment Resource Manual (HEARM)
CRD-110.3		Conference Management
CRD-440.1		Firearms Safety
CRD-470.1		Safeguards and Security Program Requirements

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

SECTION 1

GENERAL INFORMATION

Performance Incentive Number: FDH-CP-2
Performance Incentive Short Title: **Stabilize Pu**
Revision Number & Date: Rev. 1, 07/24/00
Maximum Available Incentive Fee: 29% of (available fee in Contract Clause B.4 minus \$3M)
Performance Incentive Type: ☒ Regular ☒ Stretch ☐ Superstretch
(check appropriate box)

SECTION 2

PERFORMANCE OUTCOMES

Check appropriate box:

- ☐ Outcome #1: Restore the River Corridor for multiple uses
☒ Outcome #2: Transition Central Plateau to support long-term waste management
☐ Outcome #3: Put DOE Assets to work for the Future

SECTION 3

PERFORMANCE OBJECTIVE(S), MEASURES AND EXPECTATIONN(S)

List associated performance objectives, measures, and performance expectations. Identify associated PBS # for each performance objective and/or measures as appropriated.

Performance Objective: Disposition Pu, U, & Cs/Sr Capsules,

PBS RL TP-05

Measure 1 - Pu metal/oxides/other types dispositioned

1.a. Pu metal/oxide/polycubes stabilized (items)

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch</u>
* FY00	400	450 to 1000 @ 50 Increment
FY01	501	NA
FY02	1428	NA
FY03	2295	NA
FY04	1281	NA
FY05	0	

1.b. Pu Solutions stabilized (liter)

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch</u>
* FY00	255	280-380 @ 20 Increment
FY01	2045	NA
FY02	1960	NA
FY03	0	NA
FY04	0	NA
FY05	0	NA

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

1.c. Pu Residues stabilized (Kg bulk)

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch</u>
* FY00	29	60 to 300 @ 30 increments
FY01	0	NA
FY02	1491	NA
FY03	1515	NA
FY04	374	NA
FY05	0	NA

1.d. Stabilized PU packaged (BTS cans)

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch</u>
FY00	N/A	1
FY01	300	NA
FY02	700	NA
FY03	800	N/A
FY04	900	N/A

SECTION 4 FEE SCHEDULE

Identify fee schedule by performance objective and/or measure(s)

Regular = 40% of the fee available for this Performance Incentive

Stretch = 60% of the fee available for this Performance Incentive

* At least 100 items must be processed under 1.a. and 80 liters must be processed via MgOH under 1.b. and 7 Kg bulk residue must be processed under 1.c. before the contractor is eligible to earn fee for any of the stretch expectations.

1.a. Pu metal/oxide/polycube stabilized (items)

Regular = 16% of available fee for this PI

Stretch = 24% of available fee for this PI

450 items = 2% of available fee for this PI

500 items = 4% of available fee for this PI

550 items = 6% of available fee for this PI

600 items = 8% of available fee for this PI

650 items = 10% of available fee for this PI

700 items = 12% of available fee for this PI

750 items = 14% of available fee for this PI

800 items = 16% of available fee for this PI

850 items = 18% of available fee for this PI

900 items = 20% of available fee for this PI

950 items = 22% of available fee for this PI

1000 items = 24% of available fee for this PI

1.b. Pu Solutions stabilized (liter)

Regular = 16% of available fee for this PI

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

Stretch = 14% of available fee for this PI
 280 liters = 3% of available fee for this PI
 300 liters = 6% of available fee for this PI
 320 liters = 8% of available fee for this PI
 340 liters = 10% of available fee for this PI
 360 liters = 12% of available fee for this PI
 380 liters = 14% of available fee for this PI

- 1.c. Pu Residues stabilized (Kg bulk)
 Regular = 8% of available fee for this PI
 Stretch = 16% of available fee for this PI
 60 Kg bulk = 2% of available fee for this PI
 90 Kg bulk = 4% of available fee for this PI
 120 Kg bulk = 6% of available fee for this PI
 150 Kg bulk = 8% of available fee for this PI
 180 Kg bulk = 10% of available fee for this PI
 210 Kg bulk = 12% of available fee for this PI
 240 Kg bulk = 14% of available fee for this PI
 270 Kg bulk = 15% of available fee for this PI
 300 Kg bulk = 16% of available fee for this PI

- 1.d. Stabilized Pu Packaged (BTS cans)
 Regular = N/A
 Stretch = 6% of available fee for this PI

Note: Fiscal year 01 through 05 are provided for future planning purposes only. No fee is assigned to these items in FY00.

SECTION 5

PERFORMANCE REQUIREMENTS

PREVIOUS YEAR'S GATEWAY: *Describe previous year's gateway (if applicable) that must be completed before fee can be paid under this performance measure. The requirements listed below are the gateway only requirements for this Performance Measure. (N/A in FY 2000)*

GENERAL REQUIREMENTS: In order to earn incentive fee under this Performance Incentive, the Contractor shall:

3. Meet the specific completion criteria and expectations set forth in this Performance Incentive; and
4. Not incur any unfavorable cost variance $[(BCWP - ACWP)/BCWP]$ greater than 5.0 percent, or incur any unfavorable schedule variance $[(BCWP - BCWS)/BCWS]$ greater than 7.5 percent, measured at the Project Baseline Summary level at the end of FY 2000.

DEFINE COMPLETION: *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared).*

The plutonium materials stabilization is considered complete when:

- 1.a. Plutonium oxides are considered stabilized when they have met the DOE-STD-3013 stabilization criteria (thermally stabilized at 950 degrees C for two hours, have a measured LOI of less than 0.5%), and are packaged and placed in vault storage.

Plutonium metal is considered stabilized when it has been brushed to remove surface oxide and has been packaged in a BTS container and placed in vault storage. The brushed oxide must be treated as described above except for the one item required to meet the stretch performance measure 1.d. For the special case in which plutonium metal must be stabilized in accordance with the criteria

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

established by the enhanced metal surveillance plan, prior to the availability of the BTS, that Plutonium metal may be stabilized via oxidation and the oxide created stabilized in accordance with the paragraph immediately preceding.

Polycubes are considered stabilized when they have been treated to eliminate the organic constituents, the residue of that process has been thermally stabilized to meet the DOE-STD-3013 stabilization criteria (950 degrees C for two hours, an LOI of less than 0.5% has been measured), and the stabilized material is packaged and placed in vault storage.

- 1.b. Plutonium solution is considered stabilized when the plutonium has been separated from the solution, the plutonium residue has been thermally stabilized to meet the DOE-STD-3013 stabilization criteria (950 degrees C for two hours, an LOI of less than 0.5% has been measured), and the stabilized material is packaged and placed in vault storage.
- 1.c. Plutonium residues are considered stabilized when they are treated (if required) and placed in a drum/pipe, and meet the Hanford Site Waste Acceptance Program criteria which incorporates the current WIPP Waste Acceptance Criteria (WAC) requirements.
- 1.d. For purposes of this measure, the plutonium is considered packaged when the material and packaging meet the requirements of the DOE-STD-3013 "inner can" and routine inner packaging operations are initiated

Plutonium oxides, metal, alloys, solutions and residues are also considered stabilized when they have been sent to another site for treatment or disposition. Plutonium materials (Pu, Pu + U) removed from the Hanford DNFSB 94-1 inventories through other means (e.g., sent to tank farms) shall also be considered stabilized.

All packaging shall be in DOE-STD-3013 compliant container except as follows:

HCC or facility approved (e.g., food pack) container may be used as package containers until the BTS/3013 is available (in full operations).

Metal shall be packaged in the BTS inner can.

Residues shall be packaged as appropriate to meet Hanford Site Waste Program and WIPP WAC requirements.

DEFINITIONS: (*define terms*)

HCC	Hanford Convenience Can
LOI	Loss On Ignition (or approved substitute) – a test to determine product moisture content
WIPP	Waste Isolation Pilot Project
BTS	Bagless Transfer System
Liters	For purposes of calculating liters processed, it is assumed that each solution bottle contains the full volume of solutions (e.g. A 10 liter bottle contains 10 liters of solution).
Furnace Days	The number of thermal stabilization muffle furnaces installed and planned for process operation of a thermal stabilization activity (oxides processing, polycube processing, solutions processing, and metals processing as examples) times the number of work days in a particular period of interest.
Items	For purposes of calculating oxides/metal/polycubes, an item is assumed to be foodpack cans. One foodpack can of Polycubes is counted as two items toward completion of the measure. However, credit toward completion of the measure shall not change the method of reporting MYWP and EM performance metrics.

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

For the special case where Plutonium metal items must be stabilized in accordance with the criteria established by the enhanced metal surveillance plan, prior to the availability of the BTS, the metal items converted to oxide and stabilized are counted on an equivalency basis calculated from the quantity of oxides stabilized during a period of four calendar weeks beginning July 17, 2000. The equivalency is as follows:

Pu metal items oxidized and stabilized, packaged and placed into vault storage will be credited towards the oxides stabilization criteria at a rate calculated based upon work performed during the four calendar weeks (a minimum of the 18 regularly scheduled work days). For the regularly scheduled workdays, five furnaces shall be considered planned and for any additional workdays only the actual furnaces in operation will be considered. The actual equivalency will be calculated by establishing the number of oxide items stabilized during the period and dividing that by the number of furnace days for the period. That yields the number of items per furnace day produced. That number is then compared with the actual experience of stabilization of those metal items (46 furnace days for 7 metal items) that must be stabilized prior to the availability of the BTS.

For example, the four calendar week period starting July 17 contains 18 work days. Multiplied by 5 furnaces yields 90 furnace days. If 180 oxide items are stabilized during the same period that yields 2 oxide items per furnace day. Taking that to the number of furnace days expended stabilizing the metals 46, gives 92 oxide items that would have been stabilized during the period and yields an equivalency of $92/7=13.1$ oxide items per metal item.

Routine Packaging Consecutive containers are processed/welded and moved to, or staged for, the next processing step. Minor adjustments and maintenance is allowed. Excessive delay (greater than 7 days) due to ATP/OTP oversights for the bagless transfer equipment and directly supporting facility systems will invalidate initiation of routine packaging.

COMPLETION DOCUMENTS LIST: *(In addition to the Completion Notice the document(s) that should be submitted/data that should be available/actions to be taken by evaluator, to determine actual performance to the requirements stated above).*

The documentation which must be readily available and an item crosswalk document provided to demonstrate completion of this Performance Incentive:

(The documents listed below may be classified, and the document record number will be referenced in the Completion Package.)

1.a. For plutonium oxides (PU, PU+U), a table providing each original container number, the run number it was processed in, the LOI sample results for that run (including sample number), and current vault storage container number shall be provided.

For plutonium metal, a table providing the original container number for each metal piece dispositioned, the amount of oxide removed, the new metal weight, the current vault storage container number, the run number for calculation of the brushed oxide, LOI data for that run, and current vault storage container number. For purposes of computing the item equivalent for the special case metals, a Thermal Stabilization logbook documenting the workdays during the 4 week period and a table identifying the oxide items stabilized during that time period.

For polycubes, a table providing each original container number, the run number(s) it was processed in, the LOI sample results for those runs (including sample number), and current vault storage container number shall be provided.

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules

- 1.b. For plutonium solutions, the bottle numbers associated with each batch, the furnace run numbers for the resulting precipitate treatment (or prototype calciner or other labs run number), LOI data for those runs, and current vault storage container numbers. Note: It is recognized that there will likely be some mixing of solution between runs as the result of heels. It is not expected that this be accounted for in the data provided for this Performance Incentive.
- 1.c. For plutonium residues, a table providing each original container number and its bulk weight, the treatment/repackaging run number, the can number of the material after treatment/repackaging, and the WIPP drum or pipe number it was placed in and the approved Waste Profile Sheets for each container.
- 1.d. For stabilized plutonium packaged, a table providing the current vault storage container (BTS) number, leak check results and a crosswalk to the stabilization data provided as completion validation for measures 1.a. and 1.b. of this Performance Incentive.

Records shall be available that can be used to verify the data in the table provided. The evaluator shall verify the data using a sampling technique.

ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS AND REMEDY STATED: *(For reasonably foreseeable impacts to performance which are not covered under the Contract. If the assumption or condition proves false the remedy shall be in effect. If remedy is not possible the next step is renegotiations).*

WIPP waste acceptance requirements (WAC) currently being used to develop the Hanford Site Solid Waste Acceptance Program and used to develop the Plutonium residues disposition path forward at PFP. If changes to the WIPP WAC and Hanford certification place additional requirements on PFP this PI will be revisited.

LOI will remain an acceptable method for measuring moisture content of the material covered by this PI to demonstrate meeting the DOE-STD-3013 stabilization standard. If the standard is updated requiring a different method to be performed this PI will be revisited.

The bagless transfer equipment provided by Savannah River Site (SRS) will be delivered in accordance with the memorandum of Understanding established between Hanford and SR. DOE guarantees delivery (to Hanford) of bagless transfer equipment provided by Savannah River Site (SRS) within 22 weeks of FDH delivery (at SRS) of Hanford supplied glovebox. If DOE fails to meet this commitment this PI will be renegotiated.

FY 2000 PERFORMANCE INCENTIVE: Disposition Pu, U, & Cs/Sr Capsules**SECTION 6
SIGNATURES**

G. W. Jackson, Vice President
Nuclear Material Stabilization

Date

R. D. Hanson, President & CEO
Fluor Hanford, Inc.

Date

J. M. Augustenborg, Acting Assistant Manager
For Nuclear Materials & Facility Stabilization

Date

K. A. Klein, Manager
Richland Operations Office

Date

FY 2000 PERFORMANCE INCENTIVES FIRE IMPACT

<u>PI No.</u>	<u>TITLE</u>	<u>Revised Due Date</u>
FDH-RC-1 Move K-Basin SNF & Sludge		
RC-1-1.a	Declaration of Readiness	September 21, 2000
FDH-RC-1SS Accelerate SNF Movement		
RC-1SS-1	Accelerate 2 Months	October 7, 2000
RC-1SS-2	Complete FRS/IWTS Testing and CCD2	August 22, 2000
FDH-RC-2SS Disposition Surplus Buildings		
RC-2SS-1	Continue Acceleration of 324/327 Deactivation	October 2, 2000
FDH-RC-5SS Accelerate 300 Area Closure		
RC-5SS-1	Submit 300 Area Accelerated Closure Plan	July 1, 2000
FDH-RC-4 Accelerate Readiness to Receive K-Basin Sludge		
RC-4-1.a	Shippingport Fuel and Clear One Deck Section	October 2, 2000
FDH-CP-1 Provides Waste Management Services		
CP-1-1.a	# of Analytical Equivalent Units (AEUs) Analyzed	October 27, 2000
FDH-CP-3 Retrieve and Ship TRU Offsite		
CP-3-2.b	500 Effective TRU Waste Containers Processed	October 10, 2000
CP-3-2.c	8 shipments to WIPP	October 10, 2000
FDH-CP-2 Stabilize Pu		
CP-2-1.a	Pu Metal/Oxide/Other Types Dispositioned Items	October 4, 2000
CP-2-1.b	Pu Solutions Stabilized (liter)	October 5, 2000
CP-2-1.c	Pu Residues Stabilized (Kg bulk)	October 4, 2000
CP-2-1.d	Stabilized Pu Packaged (BTS cans)	October 4, 2000

This modification incorporates the following FY 2001 performance incentives into the contract:

- | | |
|----------------------|--|
| 1. FHI-RC-1 | SNF Movement |
| 2. FHI-RC-2 | 324/327 Deactivation |
| 3. FHI-RC-3 | Disposition 200 & 300 Area Uranium |
| 4. FHI-RC-4 | Accelerate Readiness To Receive K Basin Sludge |
| 5. FH-CP-1 | Provide Waste Management Support |
| 6. FHI-CP-2 | Stabilize Pu |
| 7. FHI-CP-3 | Manage, Treat and Dispose Radioactive Waste |
| 8. FHI-AS-1 | Assist in the Creation of Non-Hanford Jobs |
| 9. FHI-Comprehensive | Comprehensive Performance |

FY 2001 CONTRACT PERFORMANCE INCENTIVE: Move K-Basin SNF and Sludge**SECTION 1
GENERAL INFORMATION**

Performance Incentive Number: FHI-RC-1
 Performance Incentive Title: **SNF Movement**
 Revision Number & Date: Rev. 0, 10/31/00
 Maximum Available Incentive Fee: 26.0% of available fee in Contract Clause B.4
 Performance Incentive Type: ☒ Regular ☒ Stretch ☐ Superstretch
(Check appropriate box)

**SECTION 2
PERFORMANCE OUTCOMES**

Check appropriate box:

- ☒ Outcome #1: Restore the River Corridor for multiple uses
☐ Outcome #2: Transition Central Plateau to support long-term waste management
☐ Outcome #3: Put DOE Assets to work for the future

**SECTION 3
PERFORMANCE OBJECTIVE (S), MEASURE (S) & EXPECTATION (S)**

List associated performance objectives, measures, and performance expectation. Identify associated PBS# for each performance objective and/or measures as appropriate

Performance Objective: Move K-Basin SNF & Sludge

PBS# WM01

Measure 1 - Amount of fuel moved

Expectation 1: Amount of Fuel removed from KW Basin in FY01.

<u>Expectation(s)</u>	<u>Regular</u>	<u>Stretch</u>
1a: Initiate Removal of KW Basin Spent Nuclear Fuel	12/07/00	None
1b: Amount of SNF removed from the K Basins and is in transport, in CVD or at the CSB. (MCOs/MTHM):		
FY01	51/(~268)	13/(~69)
FY02	126/(~662)	TBD
FY03	119/(~624)	TBD
FY04	104/(~546)	TBD

Expectation 2: Complete KE IWTS Definitive Design

<u>Expectation(s)</u>	<u>Regular</u>	<u>Stretch</u>
Complete KE IWTS Definitive Design	5/15/01	N/A

NOTES: - *It is understood that a BCR will be submitted by 12/31/00. If it is fully justified and technically sound, FY01 expectation(s) may be modified.*
 - *FY02-FY04 metrics are for future planning purposes only. No FY01 fee is allocated to these metrics.*

FY 2001 CONTRACT PERFORMANCE INCENTIVE: Move K-Basin SNF and Sludge**SECTION 4
FEE SCHEDULE**

Identify fee schedule by performance objective and/or measure(s)

Regular = 75% of the fee available for this Performance Incentive

Stretch = 25% of the fee available for this Performance Incentive

Measure 1 -

Expectation 1: Fee payment basis will be on the MCO counts, the metric ton equivalents are provided for information only.

Expectation 1a: **Regular:** 15% of the fee available for this Performance Incentive can be earned if the first MCO of SNF is moved from KW Basin and transported to the CVD for processing in accordance with TPA Milestone M34-16 by 12/07/00. If this milestone is not complete by 12/07/00, no FY01 incentive fee for the start of fuel removal can be earned per Contract Clause H.60.A. "SPENT NUCLEAR FUELS CONTINGENT FEE" – Start of Fuel Removal.

Expectation 1b: **Regular:** 50% of the fee available for this Performance Incentive can be earned if the total amount of SNF that has been moved from KW Basin and is in transport, in CVD or at the CSB by 9/30/01 accumulates to 51 MCOs/~268 MTHM, as follows:

Incremental fee of 10% shall be earned for every 10 MCOs/~53 MTHM of fuel moved from KW Basin and are in transport, in CVD or at the CSB at any time during the fiscal year, not to exceed the total of 50% fee available for this Performance Incentive. No incremental fee is earned at any given time if the entire 10 MCOs/~53 MTHM increment is not fulfilled.

Stretch: An additional 25% of the fee available for this Performance Incentive shall be earned if an additional 13 MCOs/~69 MTHM is moved from KW Basin and are in transport, in CVD or at the CSB by 9/30/01. The fee shall be earned at the rate of 2% per MCOs/~5.3MTHM, not to exceed 25% of the fee available for this Performance Incentive. The stretch goal incentive fee can only be earned after the 51/~268 MTHM baseline commitment has been fulfilled.

Expectation 2:

Regular: 10% of the fee available for this Performance Incentive.

FY 2001 CONTRACT PERFORMANCE INCENTIVE: Move K-Basin SNF and Sludge**SECTION 5
PERFORMANCE REQUIREMENTS**

PREVIOUS YEAR'S GATEWAY: *Describe previous year's gateway (if applicable) that must be completed before fee can be paid under this Performance Incentive. The requirements listed below are the gateway only requirements for this Performance Incentive.*

NONE

GENERAL REQUIREMENTS: In order to earn incentive fee under this Performance Incentive, the Contractor shall:

1. Meet the specific completion criteria and expectations set forth in this Performance Incentive; and
2. Not incur any unfavorable cost variance $[(BCWP - ACWP)/BCWP]$ greater than 5%, or incur any unfavorable schedule variance $[(BCWP - BCWS)/BCWS]$ greater than 7.5%, measured at the Project Baseline Summary level at the end of the fiscal year.

DEFINE COMPLETION: *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared.*

Measure 1 -

Expectation 1:

Expectation 1a: Regular: - Complete TPA Milestone M34-16 – Initiate Removal of K West Basin Spent Nuclear Fuel by 12/07/00. The CVD and CSB shall be ready to receive spent nuclear fuel. The spent nuclear fuel transport system shall be operable. The KW Basin spent nuclear fuel retrieval system shall begin retrieving, cleaning, and packaging a minimum of 5 MTHM of spent nuclear fuel into an MCO, and the first MCO of spent nuclear will be loaded and transported to the CVD for processing.

Expectation 1b: Regular: - Subsequent to completion of Expectation 1.a, continue fuel removal such that the cumulative amount of fuel that has been removed and is in transport, in CVD or at the CSB by 9/30/01 is as defined Section 4, Expectation 1b.

Expectation 1b: Stretch: - Increases the amount of fuel removed and in transport, in CVD or at the CSB by up to 13 MCOs/~69 MTHM to a total of 64 MCOs/~337 MTHM by 9/30/01. All technical Scope and cost aspects of the work to be completed for this expectation remain the same as in the Regular PI.

Expectation 2:

Regular: - Satisfactorily complete KE IWTS definitive design that factored in the lessons learned from KW IWTS design/construction issues by 5/15/01 (EGW1504998).

DEFINITIONS: *(Define terms)*

CSB	Canister Storage Building
CVD	Cold Vacuum Drying Facility
IWTS	Integrated Water Treatment System
KE	K-East Basin
KW	K-West Basin
MCO	Multi Canister Overpack
MTHM	Metric Tons of Heavy Metal
SNF	Spent Nuclear Fuel
TPA	Tri-Party Agreement

FY 2001 CONTRACT PERFORMANCE INCENTIVE: Move K-Basin SNF and Sludge

COMPLETION DOCUMENTS LIST: *(In addition to the Completion Notice, the document(s) that should be submitted/data that should be available/actions to be taken by evaluator, to determine actual performance to the requirements stated above.*

Measure 1 -

Expectation 1: Documents to be submitted include, but are not limited to the following:

- Copy of MCO Traveler documentation demonstrating that MCO has been transported from the KW Basin.

Expectation 2: Documents to be submitted include, but are not limited to the following:

- Definitive Design Report, including lessons learned and associated actions taken from KE IWTS design/construction issues by 5/15/01.
- Review Comment Resolution Disposition Form on KE IWTS Definitive Design to DOE by 5/31/01.

ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS AND REMEDY STATED: *(For reasonably foreseeable impacts to performance which are not covered under the Contract. If the assumption or condition proves false the remedy shall be in effect. If remedy is not possible the next step is renegotiation).*

The quantity of approximately 5.3 MTHM per MCO as referenced in this PI is based on the total amount of SNF contained in the basins divided by 400 MCOs. It is recognized that the actual amount of MTHM in a fully loaded MCO may vary based on the type of fuel and the number of scrap baskets. It is most desirable to measure the amount of MTHM of SNF contained in each loaded MCO to account for the actual progress of cleanup.

**SECTION 6
SIGNATURES**

D. B. VanLeuven, Executive Vice President
And Chief Operating Officer
Fluor Hanford, Inc.

Date

R. D. Hanson, President and CEO
Fluor Hanford, Inc.

Date

P. G. Loscoe, Director
Officer of Spent Nuclear Fuels

Date

W. W. Ballard, Assistant Manager
For Planning and Integration

Date

K.A. Klein, Manager
Richland Operations Office

Date

FY 2001 CONTRACT PERFORMANCE INCENTIVE: Disposition Surplus Buildings**SECTION 1
GENERAL INFORMATION**

Performance Incentive Number: FHI-RC-2
 Performance Incentive Title: **324/327 Deactivation**
 Revision Number & Date: Final 10/20/00
 Maximum Available Incentive Fee: 11.5% available fee in Contract Clause B.4
 Performance Incentive Type: ☒ Regular ☒ Stretch ☐ Superstretch
 (Check appropriate box)

**SECTION 2
PERFORMANCE OUTCOMES**

Check appropriate box:

- ☒ Outcome #1: Restore the River Corridor for multiple uses
☐ Outcome #2: Transition Central Plateau to support long-term waste management
☐ Outcome #3: Put DOE Assets to work for the future

**SECTION 3
PERFORMANCE OBJECTIVE(S), MEASURE(S) & EXPECTATION(S)**

List associated performance objectives, measures, and performance expectation. Identify associated PBS# for each performance objective and/or measures as appropriate

Performance Objective: Disposition Surplus Buildings**Measure 1 - # of buildings dispositioned****Expectation 1: - Deactivate 324**

PBS RL TP-08

Regular

Complete 20% (~\$25.5M) of the remaining 324 Building project life cycle baseline work scope; and maintain or accelerate 324 Deactivation schedule. Workscope performed must include:

- Complete B-Cell cleanout.
- Ship B-Cell Waste (LLW/TRU) to 200 Area Burial Ground.

Stretch

Complete an additional 2% (~\$2.54M) of the remaining 324 Building Project life cycle baseline work scope and improve the critical path by at least 30 days.

Expectation 2: - Deactivate 327**Stretch**

Complete additional 327 building cleanup activities. Complete 3 of the following 4:

- Complete interim cleanout of I-Cell.
- Transfer or dispose of waste.
- Disposal of 3 of the remaining 4 PNNL Legacy Waste Containers.
- Disposal of chemical inventory and mixed waste.

FY 2001 CONTRACT PERFORMANCE INCENTIVE: Disposition Surplus Buildings**SECTION 4****FEE SCHEDULE**

Identify fee schedule by performance objective and/or measure(s)

Regular = 82% of the fee available for this Performance Incentive

Stretch = 18% of the fee available for this Performance Incentive

Measure 1 -**Expectation 1:****Regular:**

The Contractor shall earn 82% of the fee available for this Performance Incentive upon completion of this expectation in accordance with criteria set forth in Section 5.

The Contractor shall earn 67% of the fee available for this Performance Incentive upon completion of this expectation in accordance with criteria set forth in Section 5, but complete B-Cell cleanout and shipment of B-Cell waste by 9/30/01.

Expectation 1:**Stretch:**

Regular Performance expectation (i.e., 20% (~\$25.5M of workscope) for this Performance Incentive) must be achieved before any stretch fee can be earned.

15% of the fee available for this Performance Incentive may be earned for completion of additional work in accordance with criteria set forth in Section 5 as follows:

<u>% Completed</u>	<u>Fee Earned</u>
Less than 0.4%	0%
At least 0.4%	3% of the fee available for this Performance Incentive.
At least 0.8%	6% of the fee available for this Performance Incentive.
At least 1.2%	9% of the fee available for this Performance Incentive.
At least 1.6%	12% of the fee available for this Performance Incentive, and improve critical path by 30 days
At least 2.0%	15% of the fee available for this Performance Incentive.

Expectation 2:**Stretch:**

3% of the fee available for this Performance Incentive may be earned for completion of additional work in accordance with the criteria set forth in Section 5.

SECTION 5**PERFORMANCE REQUIREMENTS**

PREVIOUS YEAR'S GATEWAY: Describe previous year's gateway (if applicable) that must be completed before fee can be paid under this Performance Incentive. The requirements listed below are the gateway only requirements for this Performance Incentive.

NONE

GENERAL REQUIREMENTS: In order to earn incentive fee under this Performance Incentive, the Contractor shall:

1. Meet the specific completion criteria and expectations set forth in this Performance Incentive; and
2. Not incur any unfavorable FY 2001 cost variance $[(BCWP - ACWP)/BCWP]$ greater than 5% or incur any unfavorable FY 2001 schedule variance $[(BCWP - BCWS)/BCWS]$ greater than 7.5% measured at the Project Baseline Summary level at the end of the fiscal year.

FY 2001 CONTRACT PERFORMANCE INCENTIVE: Disposition Surplus Buildings

DEFINE COMPLETION: *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared.*

Measure 1 -

Expectation 1:

Regular:

The Contractor shall complete 20% (~\$25.5M) of the remaining 324 Building project life cycle baseline workscope by 9/30/01. The remaining 324 Building life cycle BCWS (i.e., FY02 - FY06) cannot be more than 80% of BCWS for FY01 - FY06 as established on 9/30/01 and the 324 Building deactivation will still be scheduled for completion no later than 9/29/06. The cost and schedule variance thresholds in General Requirement #2 apply in determining successful completion of this expectation.

The workscope to be completed shall include among others:

- B-Cell cleanout by 11/30/00, or a documented revised date acceptable to the signatories to the TPA, as defined by the definition of completion of TRP-99-901 as identified in the FY01 MYWP for TP-08.
- Shipment of B-Cell Waste (LLW/TRU) from B-Cell cleanout to the 200 Area by 7/31/01 as defined by the definition of completion of TRP-01-903 as identified in the FY-01 MYWP for TP-08.

The 324 Building life-cycle project critical path float is maintained with zero or positive float from the established baseline as established at the start of FY 2001, as measured at the end of FY 2001 (i.e., ground can't be lost during FY 2001 in achieving 324 Building total project completion from the status at the start of FY 2001 as measured at the end of FY 2001).

Stretch: The Contractor shall complete an additional 2% (~\$2.54M) of remaining 324 Building project life cycle baseline workscope by 9/30/01 and improve the 324 Building critical path by at least 30 days.

Expectation 2:

Stretch:

The contractor shall complete 3 of the 4 activities listed below:

- Complete interim clean out of I-Cell, including the packaging and disposal of waste in the cell.
- Transfer the remaining Legacy Waste Buckets from the SERF Cell, transfer the remaining removable sample cans from Dry Storage (does not include the 6 that are stuck or any others that may become stuck), perform a visual inspection of the Dry Storage Carousel. Package the Dry Storage samples and as many Legacy Waste Buckets as possible into the remaining 4 Lead-Lined Drums (LLD's). Assay and ship the 4 LLD's plus the last LLD packaged in FY 2000 for storage and or disposal in the 200 Area. Package and dispose of an additional 5 cubic meters of Bulk Waste.
- Retrieve, characterize, repack and dispose of 2 of the remaining 4 PNNL Legacy Waste Containers.
- Collect, package and ship 40 fifty-five gallon drums, or an equivalent volume using alternative packaging of chemical inventory, mixed waste or hazardous waste from the 327 facility.

The life-cycle project baseline for deactivation of the 324 and 327 Buildings is described by HNF-IP-1289, REV. 3, (or most current revision) "324/327 Buildings Stabilization/Deactivation Project Management Plan" and as implemented by the approved Multi-Year Work Plan and Baseline Change Requests. Successful completion of the life-cycle project baseline will require meeting the end points (as defined in HNF-2119, REV. A and HNF-2118, REV. A for 324 and 327 Buildings respectively) and placing the buildings into a low cost state for long-term surveillance and maintenance pending final decommissioning. Deactivation of the 324 Building is currently scheduled to be completed by 9/29/06 and deactivation of the 327 Building is currently scheduled to be completed by 9/7/07.

FY 2001 CONTRACT PERFORMANCE INCENTIVE: Disposition Surplus Buildings

DEFINITIONS: *(Define terms)*

ACWP	Actual Cost of Work Performed.
BCWP	Budgeted Cost of Work Performed.
BCWS	Budgeted Cost of Work Scheduled.
BAC	Budget At Completion.
Critical Path	The longest time path through a network from the initial project activity to the final project completion milestone. It is the chain of activities that controls the overall project completion time and has the least amount of total float.
EAC	Estimate at Completion.
End points	As defined in HNF-2119, Rev. A or as modified by the change control process.

COMPLETION DOCUMENTS LIST: *(In addition to the Completion Notice, the document(s) that should be submitted/data that should be available/actions to be taken by evaluator, to determine actual performance to the requirements stated above.*

Measure 1 -

Expectation 1:

Regular:

- Letter Report: The contractor shall submit a letter report to RL by 10/19/01, which documents:
 - Percent of the 324 Building life cycle work scope complete and associated BCWP, BCWS, and ACWP
 - What work scope was completed
 - The 324 building life cycle baseline BCWS as of 10/01/00 and 9/30/01
- Monthly Performance Reports: The Contractor shall monitor and provide assessment of project performance and progress. Existing documentation should be used to the extent practical. Minimum data to be provided monthly, will include the following current fiscal year cumulative to date:
 - Planned budget amount for each WBS reporting level element (BCWS)
 - Budgeted cost of work performed from life cycle baseline
 - Actual cost of work performed from Lifecycle Baseline
- Project completion documentation for the following milestones:
 - Completion documentation for B-Cell cleanout as defined by the definition of completion of TRP-99-901 in the FY01 MYWP for TP-08.
 - Completion documentation for Shipment of B-Cell Waste (LLW/TRU) from B-Cell cleanout to the 200 Area Burial Grounds as defined by the definition of completion of TRP-01-903 as identified in the FY01 MYWP for TP-08.
- Completion documentation for program milestones as described on the milestone completion sheets included in the FY01 MYWP.

Expectation 1:

Stretch:

- Letter Report: The contractor shall submit a letter report to RL by 10/19/01, which documents:
 - Percent of 324 Building life cycle work scope completed and associated BCWP, BCWS, and ACWP
 - What workscope was completed
- Baseline Change Request: The contractor shall submit a baseline change request reflecting the acceleration in life cycle baseline schedule.
 - Critical path schedule analysis showing 324 Building critical path and total project float.

FY 2001 CONTRACT PERFORMANCE INCENTIVE: Disposition Surplus Buildings**Expectation 2:****Stretch:**

- Letter Report: The contractor shall submit a letter report to RL by 10/19/01, which documents:
 - The quantity of 327 Building waste and inventory packaged and shipped for storage/disposal including the associated package identification numbers.
 - Date of shipment for storage/disposal.
 - The final disposition location.
- Baseline Change Request: The contractor shall submit a baseline change request reflecting the acceleration in life cycle baseline schedule.
 - Critical path schedule analysis showing 327 project critical path and total project float.

ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS AND REMEDY STATED: *(For reasonably foreseeable impacts to performance which are not covered under the Contract. If the assumption or condition proves false the remedy shall be in effect. If the remedy is not possible the next step is renegotiation).*

NONE

**SECTION 6
SIGNATURES**

N.C. Boyter, Vice President
River Corridor Project

Date

R. D. Hanson, President & CEO
Fluor Hanford, Inc.

Date

J. M. Augustenborg, Acting Assistant Manager
For Nuclear Material & Facility Stabilization

Date

W.W. Ballard, Assistant Manager
For Planning & Integration

Date

K.A. Klein, Manager
Richland Operations Office

Date

FY 2001 CONTRACT PERFORMANCE INCENTIVE: Disposition 200 & 300 Area Uranium**SECTION 1
GENERAL INFORMATION**

Performance Incentive Number: FHI-RC-3
 Performance Incentive Title: **Disposition 200 & 300 Area Uranium**
 Revision Number & Date: Rev. 0, 10/31/00
 Maximum Available Incentive Fee: 1.0% of available fee in Contract Clause B.4
 Performance Incentive Type: ☐ Regular ☒ Stretch ☐ Superstretch
 (Check appropriate box)

**SECTION 2
PERFORMANCE OUTCOMES**

Check appropriate box:

- ☒ Outcome #1: Restore the River Corridor for multiple uses
☐ Outcome #2: Transition Central Plateau to support long-term waste management
☐ Outcome #3: Put DOE Assets to work for the future

**SECTION 3
PERFORMANCE OBJECTIVE (S) MEASURE (S) & EXPECTATION (S)**

List associated performance objectives, measures, and performance expectation. Identify associated PBS# for each performance objective and/or measures as appropriate

Performance Objective: Disposition Pu, U, & Cs/Sr Capsules

Measure 1 - Pu metal/oxides/other types dispositioned

Expectation 1: Disposition all uranium billets, all remaining uranium dioxide, and the surface contaminated fuel and scrap materials located in the 200 and 300 Areas.

Expectation 2: Complete the disposition of Thorium-232 located in the 303K facility.

**SECTION 4
FEE SCHEDULE**

Identify fee schedule by performance objective and/or measure(s)

Stretch Fee = 100.0% of fee available for this Performance Incentive

Measure 1 -

Stretch - Pu metal/oxides/other types dispositioned.

Expectation 1: The contractor shall earn 70% of the fee available for this Performance Incentive upon completion of this expectation in accordance with the criteria set forth in Section 5.

Expectation 2: The contractor shall earn 30% of the fee available for this Performance Incentive upon completion of this expectation in accordance with the criteria set forth in Section 5.

FY2001 CONTRACT PERFORMANCE INCENTIVE: Disposition 200 & 300 Area Uranium**SECTION 5
PERFORMANCE REQUIREMENTS**

PREVIOUS YEAR'S GATEWAY: Describe previous year's gateway (if applicable) that must be completed before fee can be paid under this Performance Incentive. The requirements listed below are the gateway only requirements for this Performance Incentive.

NONE

GENERAL REQUIREMENTS: In order to earn incentive fee under this Performance Incentive, the Contractor shall:

1. Meet the specific completion criteria and expectations set forth in this Performance Incentive; and
2. Not incur any unfavorable cost variance $[(BCWP - ACWP)/BCWP]$ greater than 5%, or incur any unfavorable schedule variance $[(BCWP - BCWS)/BCWS]$ greater than 7.5%, measured at the Project Baseline Summary level at the end of the fiscal year.

DEFINE COMPLETION: *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared.*

Successful completion requires disposition of all identified forms of uranium by 9/30/01 to defined disposition pathway end points as defined in EA-1319 of June 2000.

Expectation 1:

- Complete the removal and property transfer of all uranium billets (approx. 235 MTU), and all remaining uranium dioxide (approx. 4.47 MTU) to the DOE Portsmouth Site in Ohio as agreed to in the Transfer of Nuclear Materials from the Hanford Site to the Oak Ridge Operations/Portsmouth Site Shipper/Receiving Plan of June 2000, by 3/31/01, as documented in DOE/NRC F 741 "US Department of Energy and US Nuclear Regulatory Commission Nuclear Material Transaction Report" forms.
- Complete and submit to DOE-RL an updated project management plan to remove and relocate approximately 965 MTU of unfinished and finished un-irradiated uranium fuel from the 300 Area to the final 200 Areas relocation selected sites, by 12/15/00. This includes the 140 MTU of contaminated fuel and scrap material, and the determination for the remaining fuel, on whether to continue to store it in the 300 Area or to relocate it to the 200 Areas, awaiting the Hanford Solid Waste Environmental Impact Statement record of decision determination for its disposition.
- Execute the plan to remove and relocate approx. 140 MTU of surface contaminated fuel, and scrap material by 6/30/01.

Expectation 2:

- Prepare and execute a plan to disposition thorium materials located in the 303K facility away from the 300 Area to the 200 Areas by 9/30/01.

DEFINITIONS: *(Define terms)*

As defined in EA-1319 of June 2000 (except thorium):

- Billets – Metallic forms of uranium mechanically formed into cylindrical shapes (billets) stored in the 300 Area FSS facilities
- Unfinished and finished fuel – All finished and unfinished un-irradiated uranium fuel and scrap materials stored in the 300 Area FSS facilities
- UO₂ – Uranium dioxide materials stored in the 200 and 300 Areas

Thorium - Thorium-232 materials stored in the 300 Area (303K) FSS facilities

FY2001 CONTRACT PERFORMANCE INCENTIVE: Disposition 200 & 300 Area Uranium

COMPLETION DOCUMENTS LIST: *(In addition to the Completion Notice, the document(s) that should be submitted/data that should be available/actions to be taken by evaluator, to determine actual performance to the requirements stated above.*

- Reconciled MC&A Documentation (DOE/NRC F 741 Forms) referenced in DOE Order 474.1.
- Updated Project Management Plan.

ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS AND REMEDY STATED: *(For reasonably foreseeable impacts to performance which are not covered under the Contract. If the assumption or condition proves false the remedy shall be in effect. If remedy is not possible the next step is renegotiation).*

- If Oak Ridge Portsmouth Site stops, curtails, or refuses shipments of any uranium materials from Hanford, then this PI will be renegotiated.
- Disposition of any materials in this Performance Incentive may include DOE approval of a sales agreement.

**SECTION 6
SIGNATURES**

N. C. Boyter, Vice President
River Corridor Project

Date

R. D. Hanson, President and CEO
Fluor Hanford, Inc.

Date

P.M. Knollmeyer, Assistant Manager
For Nuclear Materials & Facilities Stabilization

Date

W. W. Ballard, Assistant Manager
For Planning and Integration

Date

K.A. Klein, Manager
Richland Operations Office

Date

FY 2001 PERFORMANCE INCENTIVE: Accelerate Readiness To Receive K Basin Sludge**SECTION 1****GENERAL INFORMATION**

Performance Incentive Number: FHI-RC-4

Performance Incentive Short Title: Accelerate Readiness To Receive K Basin Sludge

Revision Number & Date: Rev. 0

Maximum Available Incentive Fee: 3.75 % of available fee in Contract Clause B.4

Performance Incentive Type: ☒ Regular ☐ Stretch ☐ Superstretch
(check appropriate box)**SECTION 2****PERFORMANCE OUTCOMES***Check appropriate box:*☒ Outcome #1: Restore the River Corridor for multiple uses☐ Outcome #2: Transition Central Plateau to support long-term waste management☐ Outcome #3: Put DOE Assets to work for the future**SECTION 3****PERFORMANCE OBJECTIVE (S), MEASURES AND EXPECTATION (S)***List associated performance objectives, measures, and performance expectations for FY01, FY02 & FY03. Identify associated PBS # for each performance objective and/or measures as appropriate.***Performance Objective: Move K-Basin SNF and Sludge**

PBS RL – WM04

Measure 1 - Amount of Sludge removed**Expectation 1:** Prepare T Plant (221-T Bldg.) Canyon Deck to Support K-Basin Sludge Receipt:**Expectation(s)****Regular**

FY 01

Clear 10 Sections of T-Plant Canyon Deck.

Clear 4 Canyon Cells in Preparation for Receipt of K Basin Sludge Storage Canisters.

FY 02

Remove all excess equipment from the Canyon Deck.

Clear 4 Cells of the Canyon.

Expectation 2: Remove Large Items from the Canyon Deck to Support K-Basin Sludge Receipt:**Expectation(s)****Regular**

FY 01

Remove two PUREX Separation Towers from the T Plant Canyon.

FY 02

Characterize, Process, and Remove the Hydraulic Shears and the Excess Drill Press from the T Plant Canyon.

FY 2001 PERFORMANCE INCENTIVE: Accelerate Readiness To Receive K Basin Sludge

Measure 2 - Remove Shippingport Fuel from T Plant.

Expectation 1: Remove Shippingport Fuel from T Plant.

Expectation(s)**Regular**

FY 01

Complete all upgrades/modifications required for fuel movement and declare Contractor readiness for removal of Shippingport Fuel from T Plant.

FY 02

Remove all Shippingport Fuel from T Plant.

SECTION 4**FEE SCHEDULE**

Identify fee schedule by performance objective and/or measure(s)

Regular = 100% of the fee available for this Performance Incentive

Measure 1 -

Expectation 1: 40% of the fee available for this Performance Incentive shall be earned for completion of the expectation, earned as follows:

- 25% earned for clearing 6 sections of T-Plant Canyon Deck and 3 Canyon Cells, and
- 15% earned for clearing the remaining 4 sections of T-Plant Canyon Deck and 1 Canyon Cell.

Expectation 2: 20% of the fee available for this Performance Incentive shall be earned for removal of 2 PUREX separation towers.

Measure 2 -

Expectation 1: 40% of the fee available for this Performance Incentive shall be earned for completion of all upgrades required for fuel movement and the issuance of a Declaration of Contractor Readiness for removal of the Shippingport Fuel from T Plant by 9/15/01

Note: Fiscal Year 02 is provided for future planning purposes only. No fee is assigned to these items in FY01.

SECTION 5**PERFORMANCE REQUIREMENTS**

PREVIOUS YEAR'S GATEWAY *Describe previous year's gateway (if applicable) that must be completed before fee can be paid under this performance measure. The requirements listed below are the gateway only requirements for this Performance Measure.*

NONE

GENERAL REQUIREMENTS: In order to earn incentive fee under this Performance Incentive, the Contractor shall:

1. Meet the specific completion criteria and expectations set forth in this Performance incentive; and
2. Not incur any unfavorable cost variance $[(BCWP-ACWP)/BCWP]$ greater than 5.0 percent, or incur any unfavorable schedule variance $[(BCWP-BCWS)/BCWS]$ greater than 7.5 percent, measured at the Project Baseline Summary level at the end of FY 2000.

FY 2001 PERFORMANCE INCENTIVE: Accelerate Readiness To Receive K Basin Sludge

DEFINE COMPLETION: *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared).*

Measure 1 -

Expectation 1: The contractor shall, by 9/30/01:

- Clear 10 Canyon Deck Sections.
- Including the removal of the Cover Blocks and inspection of 20 Canyon Cells. The inspection is to include photographs of the cells and a descriptive inventory of the equipment stored in each of the cells.
- Clear 4 Canyon Cells.

All materials and equipment removed from the canyon deck and cells shall be disposed or stored in accordance with the requirements of HNF-EP-0063. The Canyon Cells shall be cleared for receipt of K Basin Sludge storage containers. Materials and equipment removed from cleared deck sections and cells are not to be stored in the T Plant Canyon without written Contracting Officer Representative authority.

Expectation 2: The contractor shall, by 9/30/01, remove the two remaining PUREX separation towers from within the T Plant Canyon.

- Characterize, process and remove the two towers.
- The PUREX towers shall be processed such that they meet LLW disposal requirements and/or TRU storage requirements in accordance with HNF-EP-0063. Tower sections are not to be stored in the T Plant Canyon without written Contracting Officer Representative authority.

Measure 2 -

Expectation 1: The contractor shall:

- Complete all modifications and upgrades required to support fuel removal.
- Declare Contractor Readiness to Proceed with Shippingport Fuel Removal Operation by 9/15/01.

DEFINITIONS: *(define terms)*

LLW Low Level Waste.

TRU Transuranic Waste.

T Plant Canyon Deck refers to the floor level area atop the cell cover blocks within the canyon of the 221-T Building. It does not include any gallery areas. Each deck section is approximately 40 feet in length, delineated by expansion joints in the canyon vertical sidewalls, and extends for approximately 37 feet in width delineated by the canyon sidewalls. Each section is numbered according to the building section numbers located on the canyon vertical sidewalls. (For a typical layout, reference: HNF-SD-WM-ISB-006, *Interim Safety Basis for Solid Waste Facilities "T Plant,"* Facility Description, Figure 1 - 6).

T Plant Canyon Cells refers to the process cells below the canyon deck that are accessed by removal of the cover blocks placed on top of the majority of the cells.

Inventory for inspection of the cells is defined as a description of the equipment and materials (backed by photographic evidence of the cell contents) visible in the cell without requirement of personnel entrance into the cell.

Cleared is defined as removal from the 221-T Facility of all excess material and equipment within a numbered section of the Canyon Deck or Cell. Removal of residual radioactive contamination is not included (i.e., the area will not be decontaminated).

Shippingport Fuel is defined as the Shippingport Reactor Blanket Assembly Spent Nuclear Fuel currently stored in the Canyon Fuel Pool in Cell 2R.

PUREX towers are defined as the large chemical separation towers removed from PUREX and stored on the T Plant Canyon deck. It is expected that the two towers will have a combination of TRU and LLW components and that size reduction operations will be required to separate the TRU and LLW components.

FY 2001 PERFORMANCE INCENTIVE: Accelerate Readiness To Receive K Basin Sludge

COMPLETION DOCUMENTS LIST: *(In addition to the Completion Notice the document(s) that should be submitted/data that should be available/actions to be taken by evaluator, to determine actual performance to the requirements stated above).*

Measure 1 -

Expectation 1: The contractor shall submit to RL by 10/30/01:

- A. A letter report documenting the numbered section of deck space cleared and the material and equipment removed from the facility. The report will include:
 - Before and after photographs of each deck section cleared, and
 - An inventory of the material and equipment removed, with a listing of the storage or disposal facility(s) to which the inventory was transferred.
- B. A letter report documenting the numbered cells inspected. The report will include:
 - Photographs of each canyon cell, and
 - A description of the material and equipment contained in each cell.
- C. A letter report documenting the numbered cells cleared and the material and equipment removed from the facility. The report will include:
 - Before and after photographs of each cell cleared, and
 - An inventory of the material and equipment removed, with a listing of the storage or disposal facility(s) to which the inventory was transferred.

Expectation 2: The contractor shall submit a letter report to RL by 10/30/01, documenting the number of PUREX towers processed and removed from the facility. The report will include:

- Before and after photographs of the PUREX tower, and
- An inventory of the material and equipment removed, with a listing of the storage or disposal facility(s) to which the inventory was transferred.

Measure 2 -

Expectation 1: The contractor shall:

- A. Complete all modifications and upgrades required to support fuel removal and issue to RL a report documenting with photographs a description of the upgrades and modifications. The report is to be issued by 8/15/01. If significant upgrades are required as a result of Contractor or DOE Readiness Activities, a revision of the report is to be issued to RL by 10/20/01 documenting the upgrades.
- B. Submit to RL a letter Declaring Contractor Readiness for Operations for Removal of Shippingport Fuel from T Plant. The letter must be submitted by 9/15/01.

ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS AND REMEDY STATED: *(For reasonably foreseeable impacts to performance, which are not covered under the Contract. If the assumption or condition proves false the remedy shall be in effect. If remedy is not possible the next step is renegotiation).*

NONE

FY 2001 PERFORMANCE INCENTIVE: Accelerate Readiness to Receive K Basin Sludge

SECTION 6
SIGNATURES

E.S. Aromi, Project Director
Waste Management Project

Date

R.D. Hanson, President CEO
Fluor Hanford, Inc.

Date

P.G. Loscoe, Director
Office of Spent Nuclear Fuels

Date

H.E. Bilson, Assistant Manager
For Environmental Restoration and Waste Management

Date

W. W. Ballard, Assistant Manager
For Planning Integration

Date

K.A. Klein, Manager
Richland Operations Office

Date

FY 2001 CONTRACT PERFORMANCE INCENTIVE: Provide Waste Management Support**SECTION 1
GENERAL INFORMATION**

Performance Incentive Number: FH-CP-1
 Performance Incentive Title: **Provide Waste Management Support**
 Revision Number & Date: Rev. 0
 Maximum Available Incentive Fee: 4.0% of available fee in Contract Clause B.4
 Performance Incentive Type: ☒ Regular ☐ Stretch ☐ Superstretch
(Check appropriate box)

**SECTION 2
PERFORMANCE OUTCOMES**

Check appropriate box:

- ☐ Outcome #1: Restore the River Corridor for multiple uses
☒ Outcome #2: Transition Central Plateau to support long-term waste management
☐ Outcome #3: Put DOE Assets to work for the future

**SECTION 3
PERFORMANCE OBJECTIVE(S) MEASURE(S) & EXPECTATION(S)**

List associated performance objectives, measures, and performance expectation. Identify associated PBS# for each performance objective and/or measures as appropriate

Performance Objective: Support the Treatment/Disposal of HL Tank Waste

Measure 1 - Adequacy of Waste Management Services Support

Expectation 1: Number of 242-A Evaporator campaigns completed.

FY01 1 campaign

FY02 1 campaign

Expectation 2:

- a. Maintain LERF basins #42 inventory at or below 7.8 million gallons at all times.
- b. Maintain LERF basins #43 and #44 inventory at or below 7.8 million gallons each at all times while maintaining a 1 million gallon reserve between the two basins.
- c. The contractor will treat 22.6 million gallons of 200-UP-1 groundwater through the ETF from LERF basin #43 by 9/30/01.

**SECTION 4
FEE SCHEDULE**

Identify fee schedule by performance objective and/or measure(s)

Regular = 100% of the fee available for this Performance Incentive.

Expectation 1 = 40% of the fee available for this Performance Incentive.

Expectation 2 = 60% of the fee available for the Performance Incentive.

FY 2001 CONTRACT PERFORMANCE INCENTIVE: Provide Waste Management Support**SECTION 5
PERFORMANCE REQUIREMENTS**

PREVIOUS YEAR'S GATEWAY: *Describe previous year's gateway (if applicable) that must be completed before fee can be paid under this Performance Incentive. The requirements listed below are the gateway only requirements for this Performance Incentive.*

NONE

GENERAL REQUIREMENTS: In order to earn incentive fee under this Performance Incentive, the Contractor shall:

3. Meet the specific completion criteria and expectations set forth in this Performance Incentive; and
4. Not incur any unfavorable cost variance [(BCWP-ACWP)/BCWP] greater than 5%, or incur any unfavorable schedule variance [(BCWP-BCWS)/BCWS] greater than 7.5%, measured at the Project Baseline Summary level at the end of the fiscal year.

DEFINE COMPLETION: *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared.*

Expectation 1: Complete processing of all available staged, sampled, and mutually compatible tank waste received from RPP no later than 6/1/01.

Expectation 2:

2a: The LERF basin #42 inventory will be maintained at 7.8 million gallons or less at all times.

2b: The inventory in LERF basins #43 and #44 will be maintained at 7.8 millions gallons or less at all times while maintaining a reserve capacity of at least 1 million gallons at all times between the two basins.

2c: The contractor will complete treatment of 22.6 million gallons of 200-UP-1 groundwater through the ETF from LERF basin #43 by 9/30/01.

DEFINITIONS: *(Define terms)*

ETF Effluent Treatment Facility

LERF Liquid Effluent Retention Facility – The LERF is a final status waste management unit with three separate basins. The LERF predominantly stores all influent waste streams for subsequent treatment through the ETF.

LERF basin #s 43 & 44 are currently interim storage units for all CERCLA waste streams.

LERF basin #42 is an interim storage unit for all RCRA waste streams.

RPP River Protection Project.

COMPLETION DOCUMENTS LIST: *(In addition to the Completion Notice, the document(s) that should be submitted/data that should be available/actions to be taken by evaluator, to determine actual performance to the requirements stated above.*

Expectation 1: A letter report to RL within 45 calendar days after process campaign completion. The report will document the processing of tank waste and indicate completion of at least 85% of the waste volume reduction goal identified in the Process Control Plan. The report shall include at least the total waste received, waste volume reduction calculations, total operating efficiency calculations and the associated process control plan.

Expectation 2 a & b:

A letter report to RL by 10/19/01 documenting successful maintenance of 1,000,000 gallons of excess LERF basin capacity without disrupting CERCLA wastewater feeds to LERF basins. The report shall include a daily log of basin inventories.

Expectation 2c: A letter report to RL by 10/19/01 documenting treatment of 22.6 million gallons of UP-1 groundwater.

FY 2001 PERFORMANCE INCENTIVE: Provide Waste Management Support

ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS AND REMEDY STATED: *(For reasonably foreseeable impacts to performance which are not covered under the Contract. If the assumption or condition proves false the remedy shall be in effect. If remedy is not possible the next step is renegotiation).*

Expectation 1:

1. RPP will complete all maintenance activities necessary to support operation of the 242-A Evaporator prior to a declaration of waste availability.
2. In the event waste is not available for a campaign by June 1, 2001, Expectation 1 of this PI will be reassessed.

Expectation 2:

1. The ER Contractor will maintain operation of the UP-1 pump through FY-2001 at an average flow rate capable of providing LWPF with 22.6 million gallons of groundwater by 9/28/01

**SECTION 6
SIGNATURES**

E. S. Aromi, Sr. Project Director
Waste Management Project

Date

R. D. Hanson, President & CEO
Fluor Hanford, Inc.

Date

H. E. Bilson, Assistant Manger
For Environmental Restoration & Waste Management

Date

W. W. Ballard, Assistant Manager
For Planning and Integration

Date

K.A. Klein, Manager
Richland Operations Office

Date

FY 2001 PERFORMANCE INCENTIVE: Stabilize Pu**SECTION 1
GENERAL INFORMATION**

Performance Incentive Number: FHI-CP-2
 Performance Incentive Short Title: **Stabilize Pu**
 Revision Number & Date: Rev. 0, 10/31/00
 Maximum Available Incentive Fee: 25.25% of available fee in Contract Clause B.4
 Performance Incentive Type: ☒ Regular ☒ Stretch ☐ Superstretch
 (check appropriate box)

**SECTION 2
PERFORMANCE OUTCOMES**

Check appropriate box:

- ☐ Outcome #1: Restore the River Corridor for multiple uses
☒ Outcome #2: Transition Central Plateau to support long-term waste management
☐ Outcome #3: Put DOE Assets to work for the Future

**SECTION 3
PERFORMANCE OBJECTIVE(S), MEASURES AND EXPECTATIONS(S)**

List associated performance objectives, measures, and performance expectations. Identify associated PBS # for each performance objective and/or measures as appropriated.

Performance Objective: Disposition Pu, U, & Cs/Sr Capsules

PBS RL TP-05

Measure 1 - Pu metal/oxides/other types dispositioned

1a: Pu metal/oxide/polycubes stabilized (items)**

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch</u>
FY00	400	Actual (574)
FY01	527	Up to 800 @ 15 Increment
FY02	1428	NA
FY03	2295	NA
FY04	1081(remaining qty.)	NA

1b: Pu Solutions stabilized (liters)**

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch (TBD)</u>
FY00	255 (Actual = 110)	Actual (0)
FY01	2190 (2045 + 145)	Up to 2870 @ 40 increment
FY02	1960 (remaining qty.)	NA
FY03	0	NA
FY04	0	NA

NOTE: It is understood that a BCR will be submitted by 12/15/00. If it is fully justified and technically sound, this expectation may be modified.

1c: Pu Residues stabilized (Kg bulk)

<u>Expectation (s)</u>	<u>Regular</u>	<u>Stretch</u>
FY00	29 (Actual = 29)	Actual (0)
FY01	Balance of RFETS Ash	NA

FY 2001 PERFORMANCE INCENTIVE: Stabilize Pu

2. Package Stabilized Pu in DOE-STD-3013 compliant containers.

<u>Expectation</u>	<u>Stretch</u>
	Repackage backlog items, those items stabilized in FY99 & FY00 and packaged in foodpack cans.

3. Pu Stabilization and Packaging Milestone completion:

<u>Expectation</u>	<u>Regular</u>
	DNFSB Milestones identified in the current DOE Implementation Plan for the DNFSB Recommendation 94-1/2000-1 for plutonium stabilization and packaging will be met.

Note: FY02 through FY04 quantities are provided for planning purposes only. No fee is assigned to these items in FY 2001.

**SECTION 4
FEE SCHEDULE**

Identify fee schedule by performance objective and/or measure(s)

Regular = 75% of the fee available for this Performance Incentive
Stretch = 25% of the fee available for this Performance Incentive

Measure 1 -

1a: Pu metal/oxide/polycube stabilized (items)**

For polycubes only, the definition of an item varies depending on the number of foodpack cans of polycubes stabilized. For the first 51 cans stabilized, whether as part of the regular or stretch expectation, one can equals one item. For all subsequent cans stabilized, one can equals three items. This is for fee calculation purposes.

Regular = 30% of available fee for this PI shall be earned as follows:

420 items = 15.0% of available fee for this PI

475 items = 22.5% of available fee for this PI

527 items = 30.0% of available fee for this PI

Stretch = 10% of available fee for this PI shall be earned as follows:

545 items = 1.0% of available fee for this PI

560 items = 1.5% of available fee for this PI

575 items = 2.0% of available fee for this PI

590 items = 2.5% of available fee for this PI

605 items = 3.0% of available fee for this PI

620 items = 3.5% of available fee for this PI

635 items = 4.0% of available fee for this PI

650 items = 4.5% of available fee for this PI

665 items = 5.5% of available fee for this PI

680 items = 6.0% of available fee for this PI

695 items = 6.5% of available fee for this PI

710 items = 7.0% of available fee for this PI

725 items = 7.5% of available fee for this PI

740 items = 8.0% of available fee for this PI

755 items = 8.5% of available fee for this PI

770 items = 9.0% of available fee for this PI

785 items = 9.5% of available fee for this PI

800 items = 10 % of available fee for this PI

FY 2001 PERFORMANCE INCENTIVE: Stabilize Pu

1b: Pu Solutions stabilized (liters)**

Regular = 30% of available fee for this PI shall be earned as follows:

2008 = 15.0% of available fee for this PI

2100 = 22.5% of available fee for this PI

2190 = 30.0% of available fee for this PI

Stretch = 12.5% of available fee for this PI shall be earned as follows:

2230 liters = 1.0 % of available fee for this PI

2270 liters = 1.75% of available fee for this PI

2310 liters = 2.5% of available fee for this PI

2350 liters = 3.25% of available fee for this PI

2390 liters = 4.0% of available fee for this PI

2430 liters = 4.75% of available fee for this PI

2470 liters = 5.5% of available fee for this PI

2510 liters = 6.25% of available fee for this PI

2550 liters = 7.0% of available fee for this PI

2590 liters = 7.75% of available fee for this PI

2630 liters = 8.5% of available fee for this PI

2670 liters = 9.25% of available fee for this PI

2710 liters = 10% of available fee for this PI

2750 liters = 10.75% of available fee for this PI

2790 liters = 11.5% of available fee for this PI

2830 liters = 12.25% of available fee for this PI

2870 liters = 12.5% of available fee for this PI

1c: Pu Residues stabilized (Kg bulk)

Regular = 15% of available fee for this PI shall be earned as follows:

240 Kg bulk = 7.5%

270 Kg bulk = 11.25

300 Kg bulk = 15%

2. Package Stabilized Pu in DOE-STD-3013 compliant containers. **

Regular = N/A

Stretch = 2.5% of available fee for this PI shall be earned as follows:

30 items packaged = .25% of available fee for this PI

60 items packaged = .5% of available fee for this PI

90 items packaged = .75% of available fee for this PI

120 items packaged = 1.0% of available fee for this PI

150 items packaged = 1.25% of available fee for this PI

180 items packaged = 1.5% of available fee for this PI

210 items packaged = 1.75% of available fee for this PI

240 items packaged = 2.0% of available fee for this PI

270 items packaged = 2.25% of available fee for this PI

300 items packaged = 2.5% of available fee for this PI

3. Pu Stabilization and Packaging Milestone completion:

Negative = Up to 8% of available fee for this PI may be forfeited for failing to meet the DNFSB milestone identified in the current DOE Implementation Plan for DNFSB Recommendation 94-1/2000-1 as modified (see Section 5, Define Completion) at a rate of 1/2% per each week late per milestone. Penalty not to exceed amount of fee earned for this PI.

**Each item or liter placed only in a BTS can and not in a 3013 container shall only earn 75% of the fee available for that item or liter.

FY 2001 PERFORMANCE INCENTIVE: Stabilize Pu**SECTION 5
PERFORMANCE REQUIREMENTS**

PREVIOUS YEAR'S GATEWAY: *Describe previous year's gateway (if applicable) that must be completed before fee can be paid under this performance measure. The requirements listed below are the gateway only requirements for this Performance Measure*

FY2000 baseline work scope must be completed before any FY2001 fee may be earned. These are included in the regular numbers in Section 3; i.e., 1b Pu Solutions.

GENERAL REQUIREMENTS: In order to earn incentive fee under this Performance Incentive, the Contractor shall:

5. Meet the specific completion criteria and expectations set forth in this Performance Incentive; and
6. *Not incur any unfavorable cost variance $[(BCWP-ACWP)/BCWP]$ greater than 5.0 percent, or incur any unfavorable schedule variance $[(BCWP-BCWS)/BCWS]$ greater than 7.5 percent, measured at the Project Baseline Summary level at the end of FY 2001.*

DEFINE COMPLETION: *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared).*

Measure 1 -

The plutonium materials stabilization is considered complete when:

Expectation 1a: Plutonium oxides are considered stabilized when they have met the DOE-STD-3013 stabilization criteria (thermally stabilized at 950 degrees C for two hours, have a measured moisture content, of less than 0.5%), and are packaged and placed in vault storage.

Plutonium metal and metal alloys are considered stabilized when it has been brushed to remove surface oxide and has been packaged and placed in vault storage. The brushed oxide must be treated as described above. Plutonium metal and metal alloys may be stabilized via oxidation and the oxide created stabilized as described above.

Polycubes are considered stabilized when they have been treated to eliminate the organic constituents, the residue of that process has been thermally stabilized to meet the DOE-STD-3013 stabilization criteria (950 degrees C for two hours, moisture content of less than 0.5% has been measured), and the stabilized material is packaged and placed in vault storage.

Other nuclear material items (see items definition) may be counted toward the stretch portion of expectation 1a and are considered stabilized when they have been sent to another site for treatment or disposition. Other materials removed from the PFP inventories through other means (e.g., sent to tank farms, packaged as waste) shall also be considered dispositioned.

Expectation 1b: Plutonium solution is considered stabilized when the plutonium has been separated from the solution, the plutonium residue has been thermally stabilized to meet the DOE-STD-3013 stabilization criteria (950 degrees C for two hours, moisture content of less than 0.5% has been measured), and the stabilized material is packaged and placed in vault storage.

Expectation 1c: Plutonium residues are considered stabilized when they are treated (if required) and placed in a drum/pipe, and meet the Hanford Site Waste Acceptance Criteria which incorporates the current WIPP Waste Acceptance Criteria (WAC) requirements. Residues shall be packaged as appropriate to meet Hanford Site Solid Waste Acceptance Criteria (HNF-0063) and WIPP WAC requirements.

FY 2001 PERFORMANCE INCENTIVE: Stabilize Pu

Expectation 2: For purposes of this measure, the plutonium is considered packaged when the material and packaging meet the requirements of the DOE-STD-3013 and placed into vault storage.

NOTE: For purposes of both Expectation 1 (a, b, and c) and 2, plutonium oxides, metal, polycubes, alloys, solutions and residues are also considered stabilized when they have been sent to another site for treatment or disposition. Plutonium materials (Pu, Pu + U) removed from the Hanford DNFSB 94-1/2000-1 inventories through other means (e.g., sent to the Hanford Tank Farms) shall also be considered stabilized.

Expectation 3: Milestones:
Complete brushing and repackaging of metal inventory: 3/31/01 (**Metal in inner BTS containers by 3/31/01. Corrosion products will be in inner BTS cans by 4/30/01 and all material in outer 3013 containers by 8/1/01.**)

Ship aluminum alloys to SRS or package for disposition to WIPP. Brush and package remaining alloys at PFP: 6/30/01.

Completion of the DNFSB milestone is considered met when all material of a category identified in the DOE Implementation Plan for Recommendation from 94-1/2000-1 has been stabilized and/or dispositional in accordance with the criteria established by 1a, 1b, and 1c above.

DEFINITIONS: (define terms)

Balance of RFETS Ash	All remaining Rocky Flats Ash inventory stored at PFP as of 10/1/2000 (nominally 300 kg bulk weight) except those items required to be held back for later WIPP analysis and for use as NDA standards.
BTS	Bagless Transfer System.
HCC	Hanford Convenience Can.
Items	For purposes of calculating oxides/metal/alloys/polycubes, an item is assumed to be Foodpack cans. One foodpack can of Polycubes is counted as three items toward completion of the measure. For the items of metal requiring oxidation above the 10% of inventory assumed in the baseline plan for oxidation will count as four items toward completion of the measure. However, this shall not change the method of reporting MYWP and EM performance metrics. Also, the nuclear material dispositioned may be counted toward the oxides/metal/polycubes stretch quantities at the following rates: <ul style="list-style-type: none"> -Other Pu isotopes - One for One. - HEU - One for One. - Source material (LEU, NU, DU & Thorium) - One Quarter for One. -Other materials (Americium, Berkelium, Californium, Neptunium, -Deuterium, Lithium and tritium - One for One.
Curium, Kg Bulk Liters	Gross Weight documented by nuclear material inventory records. For purposes of calculating liters processed, it is assumed that each solution bottle contains the full volume of solutions (e.g. A 10 liter bottle containing 8 liters is considered to contain 10 liters of solution).
Moisture Content Measurement	A test to determine product moisture content using Loss On Ignition (or approved substitute, i.e., Super Critical Fluid Extraction or Neutron Moderation).
Vault Storage	DOE-STD-3013 compliant container placed into one of the following vaults for storage 234-5Z, 2736-ZB, 2736Z or an RL approved alternate storage.
WIPP	Waste Isolation Pilot Project.

FY 2001 PERFORMANCE INCENTIVE: Stabilize Pu

COMPLETION DOCUMENTS LIST: *(In addition to the Completion Notice the document(s) that should be submitted/data that should be available/actions to be taken by evaluator, to determine actual performance to the requirements stated above).*

The documentation which must be readily available and an item crosswalk document provided to demonstrate completion of this Performance Incentive:

(The documents listed below may be classified, and the document record number will be referenced in the Completion Package).

Measure 1 -

- 1a: For plutonium oxides (PU, PU+U), a table providing each original container number, the run number it was processed in, the moisture content sample results for that run (including sample number), and current vault storage container number shall be provided.

For plutonium metal brushed, a table providing the original item container number for each metal piece dispositioned, the original metal weight per established records, the new metal weight after brushing, the current vault storage container number, the date of brushing and the date of stabilization of the brushed oxide, moisture content data for the brushed oxide, and the current vault storage container number for the brushed oxide.

For plutonium metal oxidized, a table providing the original container number for each metal piece dispositioned, the run number it was processed in, the moisture content sample results for that run (including sample number), and current vault storage container number shall be provided.

For polycubes, a table providing each original container number, the run number(s) it was processed in, the moisture content sample results for those runs (including sample number), and current vault storage container number shall be provided.

For other materials dispositioned, a table providing each original container number, and documentation of the disposition path.

- 1b: For plutonium solutions, the bottle numbers associated with each batch, the furnace run numbers for the resulting precipitate treatment (or prototype calciner or other labs run number), moisture content data for those runs, and current vault storage container numbers. Note: It is recognized that there will likely be some mixing of solution between runs as the result of heels. It is not expected that this be accounted for in the data provided for this Performance Incentive.
- 1c: For plutonium residues, a table providing each original container number and its bulk weight, the treatment/repackaging run number, the can number of the material after treatment/repackaging, and the WIPP drum or pipe number it was placed in and the approved Waste Profile Sheets for each container. A list of Ash items (container numbers and gross weight) held back pending WIPP analysis and for use as NDA standards, including a justification for the number of items required to meet the WIPP analysis and NDA standards.
2. For stabilized plutonium packaged into DOE-STD-3013 compliant containers, a table providing the current vault storage container number, leak check results and a crosswalk to the items stabilized in FY99 and FY00 and placed in foodpack cans.
3. For milestone completion, a letter shall be transmitted to RL documenting the milestone completion.

Records shall be available that can be used to verify the data in the table provided.

FY 2001 PERFORMANCE INCENTIVE: Stabilize Pu

ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS AND REMEDY STATED: *(For reasonably foreseeable impacts to performance which are not covered under the Contract. If the assumption or condition proves false the remedy shall be in effect. If remedy is not possible the next step is renegotiations).*

1. The WIPP waste acceptance criteria (WAC) currently being used to develop the Hanford Site Solid Waste Acceptance Program will be used to develop the Plutonium residues disposition path forward at PFP. If changes to the WIPP WAC and Hanford Site Solid Waste Acceptance Criteria place additional requirements on PFP, this PI will be revisited.
2. LOI and SFE will remain an acceptable method for measuring moisture content of the material covered by this PI to demonstrate meeting the DOE-STD-3013 stabilization standard. If the standard is updated this PI will be revisited.
3. This PI is based on a funding level of \$96,617,000 (FH-2000-003) and the currently approved PFP Basis of Estimate.

**SECTION 6
SIGNATURES**

G. W. Jackson, Vice President
Nuclear Material Stabilization

Date

R. D. Hanson, President & CEO
Fluor Hanford, Inc.

Date

P.M. Knollmeyer, Assistant Manager
For Nuclear Materials & Facility Stabilization

Date

W. W. Ballard, Assistant Manager
For Planning and Integration

Date

K. A. Klein, Manager
Richland Operations Office

Date

FY 2001 PERFORMANCE INCENTIVE: Manage, Treat, and Dispose of Radioactive Waste**SECTION 1
GENERAL INFORMATION**

Performance Incentive Number: FHI-CP-3
 Performance Incentive Short Title: **Manage, Treat and Dispose Radioactive Waste**
 Revision Number & Date: Rev. 0
 Maximum Available Incentive Fee: 8.5% of available fee in Contract Clause B.4
 Performance Incentive Type: ☒ Regular ☒ Stretch ☐ Superstretch
(check appropriate box)

SECTION 2**PERFORMANCE OUTCOMES***Check appropriate box:*

- ☐ Outcome #1: Restore the River Corridor for multiple uses
☒ Outcome #2: Transition Central Plateau to support long-term waste management
☐ Outcome #3: Put DOE Assets to work for the future

SECTION 3**PERFORMANCE OBJECTIVE (S), MEASURES AND EXPECTATION (S)**

List associated performance objectives, measures, and performance expectations for FY01. Identify associated PBS # for each performance objective and/or measures as appropriated.

Performance Objective: Manage, Treat, and Dispose of Radioactive Waste.**Measure 1 - MLLW Treated and Disposed**

PBS RL - WM04

Expectation 1:

Treat and Dispose of MLLW.

Regular420 m³**Stretch**100 m³ and EC-1 Condensers**Measure 2 - TRU and/or TRUM certified for Shipment to WIPP**

PBS RL - WM04

Expectation 1:

Certify TRU and/or TRUM

Regular33 m³**Stretch**9 m³**Measure 3 - Retrieve Stored Suspect TRU**

PBS RL - WM04

Expectation 1:

Retrieve remaining uncovered vented drums (approximately 600 drums).

Stretch

FY 2001 PERFORMANCE INCENTIVE: Manage, Treat and Dispose of Radioactive Waste**FEE SCHEDULE****SECTION 4**

Identify fee schedule by performance objective and/or measure(s)

Regular Fee = 79% of fee available for this Performance Incentive.

Stretch Fee = 21% of fee available for this Performance Incentive.

Measure 1 - MLLW Treated and Disposed.

Expectation 1: Regular - 40% of the fee available for this Performance Incentive shall be earned for the treatment and disposal, and/or direct disposal of 420 m³ of MLLW.

Stretch – 5.6% of the fee available for this Performance Incentive shall be earned for the treatment and disposal, and/or direct disposal of an additional 100 m³ of MLLW and the disposal of the two excess 242-A Evaporator EC-1 Condensers.

Measure 2 - Certify for Shipment TRU and/or TRUM.

Expectation 1: Regular - 39% of the fee available for this Performance Incentive shall be earned for the certification for shipment of 33 m³ of TRU and/or TRUM.

Stretch – 10% of the fee available for this Performance Incentive shall be earned for the certification for shipment of an additional 9 m³ of TRU and/or TRUM

Measure 3 - Retrieve Stored Suspect TRU.

Expectation 1: Stretch – 5.4% of the fee available for this Performance Incentive shall be earned for the retrieval of remaining uncovered vented drums (approximately 600 drums).

SECTION 5**PERFORMANCE REQUIREMENTS**

PREVIOUS YEAR'S GATEWAY: *Describe previous year's gateway (if applicable) that must be completed before fee can be paid under this performance measure. The requirements listed below are the gateway only requirements for this Performance Measure.*

NONE

GENERAL REQUIREMENTS: In order to earn incentive fee under this Performance Incentive, the Contractor shall:

1. Meet the specific completion criteria and expectations set forth in this Performance Incentive; and
2. Not incur any unfavorable cost variance [(BCWP-ACWP)/BCWP] greater than 5.0 percent, or incur any unfavorable schedule variance [(BCWP-BCWS)/BCWS] greater than 7.5 percent, measured at the Project Baseline Summary level at the end of FY 2001.

DEFINE COMPLETION: *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared).*

Measure 1 -

Expectation 1:

Regular: The contractor shall have treated and disposed, and/or direct disposed, a minimum of 420 m³ (pretreatment volume) of MLLW into Hanford's RCRA Subtitle-C lined landfills and/or the unlined LLW landfills (as regulatorily applicable and in accordance with HNF-EP-0063), by 9/30/01. The volume of the EC-1 condensers may not be counted for this portion (i.e., toward the 420 m³) of this expectation.

FY 2001 PERFORMANCE INCENTIVE: Manage, Treat and Dispose of Radioactive Waste

Stretch: The contractor shall have treated and disposed, and/or direct disposed, a minimum of 100 m³ (pretreatment volume) of additional MLLW (above 420 m³) into Hanford's RCRA subtitle-C lined landfills and/or the unlined LLW landfills (as regulatorily applicable and in accordance with HNF-EP-0063), by 9/30/01. The volume of the EC-1 condensers may not be counted for this portion (i.e., toward the 100 m³) of the stretch portion.

The contractor shall have treated and disposed the two EC-1 condensers into either Hanford's RCRA subtitle-C landfills and/or the unlined LLW landfills (as regulatorily applicable and in accordance with HNF-EP-063) by 9/30/01. The condensers include the legacy condenser stored at the T Plant Complex as well as the condenser to be removed from 242-A as part of FY 2001 upgrades.

Reactor compartment disposal does not count towards this Performance Incentive Measure (Regular or Stretch).

Measure 2 -**Expectation 1:**

Regular: The contractor shall complete certification for shipment to WIPP a minimum of 33 m³ of TRU and/or TRUM by 9/30/01.

Stretch: The contractor shall complete certification for shipment to WIPP, a minimum of an additional 9 m³ of TRU and/or TRUM by 9/30/01.

Measure 3 -**Expectation 1:**

Stretch: The Contractor shall retrieve the remaining inventory of vented uncovered CH suspect TRU drums (approximately 600 drums) from interim storage in the Low Level Burial Grounds (LLBG) by 9/30/01. Retrieval shall consist of removing the drums from a stack and making a waste designation as to TRU or LLW, either by assaying the drums or through an alternate RL approved methodology. Removal of the drums from the Low Level Burial Grounds is not required to earn the fee for this measure.

DEFINITIONS: (define terms)

CH	Contact-Handled.
RH	Remote-Handled.
WIPP	Waste Isolation Pilot Plant.
WAC	Waste Acceptance Criteria.

The definitions of transuranic waste (TRU), transuranic mixed waste (TRUM), low-level waste (LLW), and mixed waste (MLLW) are the same as those provided in DOE Order 435.1. Mixed waste is synonymous with mixed low-level waste.

Disposal is defined as the placement of compliant waste into the appropriate waste trench based on the waste acceptance and permit criteria, and/or MLLW that exits regulatory requirements after treatment and is disposed into the low level burial ground trenches.

Uncovered drums are defined as those drums that can be removed (as part of a complete row) from a stack without movement of soil (not including blown sand), cutting or removal of plywood partially covered by overburden or upper tier rows.

FY 2001 PERFORMANCE INCENTIVE: Manage, Treat and Dispose of Radioactive Waste

Retrieval is defined as removing the drums from a stack and making a waste designation as to TRU or LLW, either by assaying the drums or through an alternate RL approved methodology. Removal of the drums from the trench is not required. Retrieval (as defined above) of unvented drums is not included in the work scope of this Performance Incentive.

Certification for shipment to WIPP for TRU and/or TRUM is defined as performing the necessary data reconciliation activities for each container per Attachment 2 (Reconciliation with Data Quality Objectives) of procedure WMH-400, Section 7.1.1.

One cubic meter (m³) of TRU and/or TRUM is defined as five 55-gallon drums or one standard waste box containing TRU and/or TRUM.

Direct disposal is defined as MLLW that meets the disposal criteria for Hanford's Subtitle -C lined landfills in the "as received" condition from a generator. Either the generator treated the waste prior to shipment, or the waste met the LDR requirements in the "as generated" condition.

COMPLETION DOCUMENTS LIST: *(In addition to the Completion Notice the document(s) that should be submitted/data that should be available/actions to be taken by evaluator, to determine actual performance to the requirements stated above).*

Measure 1 –

Expectation 1:

Regular: The contractor shall submit a letter report to RL by 10/19/01 that documents the quantity of MLLW treated and disposed, and/or direct disposed during FY 2001. The report shall include inventories, processing dates, associated Package Identification Numbers (PIN's), the type of treatment used, and the final disposal location.

Stretch: The contractor shall submit a letter report to RL by 10/19/01 that documents the quantity of MLLW treated and disposed, and/or direct disposed during FY 2001. The report shall include inventories, processing dates, associated Package Identification Numbers (PIN's), the type of treatment used and the final disposal location.

The contractor shall submit a letter report to RL by 10/19/01 documenting the disposal of the two condensers. The report shall include before and after photographs of both treatment and disposal for each condenser and a description of all treatment performed on the condensers in order to place them in a compliant condition allowing for disposal

The same letter report may be utilized for both the regular and stretch expectations, but it is to clearly demonstrate how each part of the expectation was met.

Measure 2 -

Expectation 1:

Regular and Stretch:

The contractor shall submit a letter report to RL by 10/19/01, documenting by container identification number (CIN) the quantity of TRU and/or TRUM certified for shipment to WIPP during FY 2001. In addition, the report shall include a completed Attachment 2 (Reconciliation with Data Quality Objectives) of WMH-400, Section 7.1.1, for each container of TRU and/or TRUM certified.

FY 2001 PERFORMANCE INCENTIVE: Manage, Treat, and Dispose of Radioactive Waste**Measure 3 -****Expectation 1:**

Stretch: The contractor shall submit a letter report to RL by 10/19/01 documenting the number of uncovered vented drums retrieved by their associated Package Identification Number (PIN) and the waste designation (LLW or TRU) of the drums.

ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS AND REMEDY STATED: (For reasonably foreseeable impacts to performance which are not covered under the Contract. If the assumption or condition proves false the remedy shall be in effect. If the remedy is not possible the next step is renegotiation).

Measure 1 - The EC-1 condenser to be removed from 242-A as part of the FY 2001 upgrades is contingent upon timely funding and support from the River Protection Project (RPP). Should funding and support from the RPP not allow for the removal and delivery of the condenser to the T-Plant facility by 6/30/01, the EC-1 condenser disposal expectation of this Measure will be reassessed.

Measure 2 - It is anticipated that further changes to the WIPP WAC and/or WIPP Permit requirements will not occur for CH TRU and/or TRUM during FY 2001. If changes to the WIPP WAC and/or WIPP Permit requirements occur that are outside the control of the Contractor and invalidate previous certification data, the Contractor shall submit to RL a revised path forward with 20 calendar days as the basis for the baseline change request and renegotiation of this Performance Incentive.

Measure 3 - If safety related hazards are identified during the performance of this work scope that are outside the existing authorization basis of the associated facilities, the Contractor shall submit to RL a revised path forward within 20 calendar days as the basis for a baseline change request and re-negotiation of this Performance Incentive Expectation.

SECTION 6**SIGNATURES**

E.S. Aromi, Sr. Project Director
Waste Management Project

Date

R.D. Hanson, President & CEO
Fluor Hanford, Inc.

Date

H.E. Bilson, Assistant Manager
For Environmental Restoration and Waste Management

Date

W. W. Ballard, Assistant Manager
For Planning and Integration

Date

K.A. Klein, Manager
Richland Operations Office

Date

FY 2001 PERFORMANCE INCENTIVE: Assist in the Creation of Non-Hanford Jobs**SECTION 1
GENERAL INFORMATION****Performance Agreement Number:** FHI-AS-1Performance Agreement Short Title: **Assist in the Creation of Non-Hanford Jobs**

Revision Number & Date: Rev. 0, 10/31/00

Maximum Available Incentive Fee: -2.4% of available fee in Contract Clause B.4Performance Agreement Type: ☒ Regular ☐ Stretch ☐ Superstretch
(check appropriate box)**SECTION 2
PERFORMANCE OUTCOMES***Check appropriate box:*☐ Outcome #1: Restore the River Corridor for multiple uses☐ Outcome #2: Transition Central Plateau to support long-term waste management☒ Outcome #3: Put DOE Assets to work for the Future**SECTION 3
PERFORMANCE OBJECTIVE (S), MEASURES PERFORMANCE EXPECTATION(S)***List associated performance objectives, measures, and performance expectations. Identify associated PBS # for each performance objective and/or measures.***Performance Objective:** Assist in the Creation of Non-Hanford Jobs

PBS N/A

Measure 1 - Number of new Non-Hanford jobs created

(Number of cumulative jobs helped to be created for the 8-county region surrounding the Hanford Site)

Expectation(s)
FY01**Regular**
2,550 (Cumulative, beginning FY 1997)
[70% of 3000 less 1,502 (number of PHMC cumulative
Validated jobs thru FY1999)]**SECTION 4
FEE SCHEDULE***Identify fee schedule by performance objective and/or measure(s)*

Regular = 100% of the available fee for this Performance Incentive

Regular

Negative fee only – maximum fee forfeited = -2.4% of available fee in Contract Clause B.4

FY 2001 PERFORMANCE INCENTIVE: Assist in the Creation of Non-Hanford Jobs**SECTION 5
PERFORMANCE REQUIREMENTS**

PREVIOUS YEAR'S GATEWAY: *Describe previous year's gateway (if applicable) that must be completed before fee can be paid under this performance measure. The requirements listed below are the gateway only requirements for this Performance Measure.*

NONE

GENERAL REQUIREMENTS: In order to earn incentive fee under this Performance Incentive, the Contractor shall:

1. Meet the specific completion criteria and expectations set forth in this Performance Incentive.

DEFINE COMPLETION: *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared).*

"Completion" shall occur after DOE-RL formally approves the claims as submitted by FHI in required documentation as follows (minimum): (1) summary table; (2) job count information; and (3) job assistance information. These are further explained in the following:

1. Summary table – Table listing jobs helped-to-be-created - by company.
2. Job Count Information - Supporting, auditable information verifying, by company, the number of jobs claimed. The jobs claimed are to meet the criteria as documented in section 2.4 *Crediting Local Job Creation and Attraction Assistance* of the Economic Transition Plan for FY 2000 or later updates to these criteria for 2001 as mutually agreed for the FY 2001 Economic Transition Plan.
3. Job Assistance Information - Supporting information regarding "Material Support" provided by FDH in helping to create the claimed jobs. This information must address the criterion "Material Assistance" included in Table 1 of the above referenced document and be sufficiently complete and well-written to permit review by off-Site experts, who are to advise DOE-RL on the sufficiency of the FHI assistance provided.

DEFINITIONS: *(define terms)*

1. Non-Hanford jobs - Jobs created that do not depend on the DOE-RL mission at Hanford nor the funding allocated by Congress to carry out the Hanford mission.
2. Cumulative jobs - The total number of jobs credited by DOE-RL for past FYs, beginning in FY 1997, and including those claimed through FY 2001. Jobs credited to date are as follows: FY 97 = 201; FY 98 = 319; FY 1999 = 982; total cumulative jobs credited thru FY 1999 = 1502.
3. "8-county region" - Benton and Franklin Counties, plus the following other counties near the Hanford Site: Grant, Adams, Walla Walla, Umatilla (in Oregon), Klickitat, and Yakima.

COMPLETION DOCUMENTS LIST: *(In addition to the Completion Notice the document(s) that should be submitted/data that should be available/actions to be taken by evaluator, to determine actual performance to the requirements stated above).*

The following documentation, as specified in "Define Completion above":

1. Summary Table
2. Job Count Documentation
3. Job Assistance Information

FY 2001 PERFORMANCE INCENTIVE: Assist in the Creation of Non-Hanford Jobs

ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS AND REMEDY STATED: *(For reasonably foreseeable impacts to performance which are not covered under the Contract. If the assumption or condition proves false the remedy shall be in effect. If remedy is not possible the next step is renegotiation).*

NONE

**SECTION 6
SIGNATURES**

T.J. Harper, Vice President
Site Services

Date

R.D. Hanson, President CEO
Fluor Hanford, Inc.

Date

J.E. Ollero, Director
Office of Training Services and Asset Transition

Date

W. W. Ballard, Assistant Manager
For Planning and Integration

Date

K.A. Klein, Manager
Richland Operations Office

Date

FY 2001 CONTRACT PERFORMANCE INCENTIVE: FHI Comprehensive

SECTION 1 GENERAL INFORMATION

Performance Incentive Number: FHI – Comprehensive
 Performance Incentive Title: **Comprehensive Performance**
 Revision Number & Date: Rev. 0, 10/31/00
 Maximum Available Incentive Fee: Up to 20% of available fee in Contract Clause B.4
 Performance Incentive Type: ☒ Regular ☐ Stretch ☐ Superstretch
(Check appropriate box)

SECTION 2 PERFORMANCE OUTCOMES

Check appropriate box:

- ☒ Outcome #1: Restore the River Corridor for multiple uses
- ☒ Outcome #2: Transition Central Plateau to support long-term waste management
- ☒ Outcome #3: Put DOE Assets to work for the future

SECTION 3 PERFORMANCE OBJECTIVE (S) MEASURE (S) & EXPECTATION (S)

List associated performance objectives, measures, and performance expectation. Identify associated PBS# for each performance objective and/or measures as appropriate

- Performance Objective/Measure 1** - Safety: Protect worker safety and health, public safety and health, and the environment.
- Performance Objective/Measure 2** - Operational Excellence: Operate in a manner conducive to excellence and quality.
- Performance Objective/Measure 3** - Responsible Stewardship: Provide responsible stewardship of Hanford assets and resources; and acquire goods and services fairly, cost effectively, and competitively.
- Performance Objective/Measure 4** - Effective Leadership: Provide corporate leadership to improve management effectiveness collaborate and participate proactively with our customers and value workers and provide a supportive environment.

SECTION 4 FEE SCHEDULE

Identify fee schedule by performance objective and/or measure(s)

- Performance Objective/Measure 1** - Safety: Negative fee only up to 20% of fee available for this Performance Incentive.
- Performance Objective/Measure 2** - Operational Excellence: Incentive fee up to 44.5%; negative fee up to 18.5% of fee available for this Performance Incentive.
- Performance Objective/Measure 3** - Responsible Stewardship: Incentive fee up to 10.5%; negative fee up to 7.5% of fee available for this Performance Incentive.
- Performance Objective/Measure 4** - Effective Leadership: Incentive fee up to 45%; negative fee up to 30% of fee available for this Performance Incentive.

FY 2001 CONTRACT PERFORMANCE INCENTIVE: FHI Comprehensive

**SECTION 5
PERFORMANCE REQUIREMENTS**

PREVIOUS YEAR'S GATEWAY: *Describe previous year's gateway (if applicable) that must be completed before fee can be paid under this Performance Incentive. The requirements listed below are the gateway only requirements for this Performance Incentive.*

NONE

GENERAL REQUIREMENTS: In order to earn incentive fee under this Performance Incentive, the Contractor shall:

5. Fully comply with all terms and conditions of the Contract. Nothing in this Performance Incentive shall relieve the Contractor from complying with any terms and conditions of the Contract, and
6. Meet the specific completion criteria and expectations set forth in this Performance Incentive.

DEFINE COMPLETION: *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared.*

Performance Objective/Measure 1 - Safety: The Contractor shall protect worker safety and health, public safety and health, and the environment.

1A. Maintain and improve the approved Integrated Safety Management System (ISMS).

Performance Expectation:

- Ensure all operations are conducted in accordance with the approved ISMS System Description.
- In accordance with PHMC Contract No. DE-AC06-96RL1320, Modification M086, dated October 1, 1999, DEAR Clause 970.5204-78 (dated June 1997) and DEAR Clause 970.5204-2 (dated June 1997) maintain compliance with all applicable federal, state, and local statutes and regulations.
- Self-disclose regulatory non-compliance and enact self-correction of the situation in a timely manner.
- Perform timely and effective corrective actions for non-compliances and/or deficiencies identified by DOE or other regulatory entities.
- Resolve opportunities for improvement identified during previous ISMS Phase I and Phase II verifications. (Note: Due dates are tracked in corrective action tracking system).
- In accordance with DEAR Clause 970.5204-2 (dated June 1997), and reference to DOE Policy 450.5 as a guide, and the Contractor's memorandum FH-0005248, dated 9/26/00, review, update, and submit, for DOE-RL approval, safety performance objectives, performance measures, and commitments.

Determination of Fee:

Up to 20% of fee available for this Performance Incentive will be forfeited if the Contractor fails to satisfactorily meet 1A. The determination as to the overall effectiveness of the Contractor's performance against this Performance Objective/Measure shall be made by the DOE-RL Manager, or his designee, based on satisfactory accomplishment of the performance expectations above, and giving consideration to input provided by DOE-RL staff.

Determination of non-compliance with the approved ISMS System Description and/or applicable regulatory requirements may be based on input from the following sources: (1) written enforcement actions from regulatory agencies and (2) findings of DOE-RL staff. Determination shall in part be based on potential or real impact to protection of the workers, the public and the environment. Consideration will be given to such factors as severity, seriousness, and number of violations, toxicity, volume, persistence and/or duration of the violation.

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Performance Objective/Measure 2 -Operational Excellence: The Contractor shall operate in a manner conducive to excellence and quality.

2A. Migrate systems to facilitate PBS restructuring in FY 2002.

Performance Expectation:

- Transition data within existing systems into a new configuration that effectively implements the new PBS/WBS structure. New structure shall be implemented and be operational by 09/28/01 and crosswalk technical schedule and cost down through Level IV of the revised WBS structure.
- Provide an effective cross walking capability of information as identified in the Draft BUG II, between prior years and current year.
- Maintain an earned value management system during and after the transition that generally conforms to the ANSI/EAI Standard 748, Earned Value Management System (EVMS).

Determination of Fee:

Up to 7.5% of fee available for this Performance Incentive fee may be earned for Performance Objective/Measure 2A. The fee determination shall be made by the DOE-RL Manager, or his designee, based on satisfactory accomplishment of the performance expectations above, and giving consideration to input provided by DOE-RL staff.

Determination of satisfactory performance will also be based on the following: (1) Cost/Schedule Control Data, (2) findings of DOE-RL staff, and (3) modification of systems in a manner that provides required crosswalk of information between fiscal years. Determination will also be made giving consideration to such factors as impact on DOE-RL operations including budget formulation, Multi-Year Work Plan development and other budget-related activities.

2B. Rebaseline completed per Baseline Updating Guidance (BUG).

Performance Expectation:

- MYWP and AWP products adhere to BUG, or deviations are agreed to, in writing, by DOE-RL prior to implementation by FHI.
- Deliverables are of acceptable quality, as determined by DOE-RL.
- Deliverables are received per BUG schedules.
- Deliverables are responsive to customer requirements; complete in both content and number of copies, and provide electronic submittal as required by the BUG.

Determination of Fee:

Up to 15% of fee available for this Performance Incentive may be earned for Performance Objective/Measure 2B. The fee determination shall be made by the DOE-RL Manager, or his designee, based on satisfactory accomplishment of the performance expectations above, and giving consideration to input provided by DOE-RL staff.

Determination of satisfactory performance will also be based on (1) adherence to direction provided by DOE-RL, (2) timeliness and quality of deliverables, and (3) findings of DOE-RL staff.

2C. Integrate Project Deliverables to DOE-RL.

Performance Expectation:

- Contractor ensures that changes to a project adequately and appropriately consider the associated impacts to other projects both within and without the Contractors scope of work, and that the change optimizes the completion of the cleanup of Hanford.
- Contractor consistently provides a critical analysis of all project changes, including any affects on other projects.

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- Contractor consistently executes and documents a critical analysis and provides a concise overview of all proposed changes that affect other Site projects. The overview shall be in adequate detail to allow DOE-RL review of the change and its affect on other projects.
- Establish and support a routine inter-contractor integration meeting to discuss and manage interface impacts and issues. The meeting will be chaired by DOE-RL. (November 1, 2000 to September 20, 2001).
- Provide concise overview of the Contractor's change proposals that affect interfaces within the PHMC and with other site contractors (November 1, 2000 to September 30, 2001).

Determination of Fee:

Up to 3.5% of fee available for this Performance Incentive will be forfeited if the Contractor fails to satisfactorily meet 2C. The determination as to the overall effectiveness of the Contractor's performance against this Performance Objective/Measure shall be made by the DOE-RL Manager or his designee, based on satisfactory accomplishment of the performance expectations above, and giving consideration to input provided by DOE-RL staff.

Determination of satisfactory performance will also be based on (1) the effectiveness of the Contractor's management programs, (2) the Contractor's ability to evaluate inter-project impacts and mitigate identified impacts in a manner that optimizes progress, and (3) the severity and number of instances where impacts are not properly/adequately evaluated.

2D. Increase discipline of project controls, practices and baseline improvement.

Performance Expectation:

- Within the constraint of DOE-RL policies, effectively implement improvement to the baseline change control process and apply it uniformly to all of the Contractor's projects. Accomplish this improvement in partnership with DOE-RL, and include provisions for contractor support to the RL change control board. Complete this activity by 12/31/00.
- Provide DOE-RL with monthly reports to include cost and schedule performance data (earned value) at one level below the PBS level of the FY 2001 WBS. Include the status of technical scope via accomplishments, issues, and critical performance measures. These data may be added to an existing report. First report (with December 2000 data) is due 1/25/01.
- Improve and communicate spending forecast and estimates at completion (estimated cost to complete utilizing the approved FY 2001 work scope).

Determination of Fee

Up to 15% of fee available for this Performance Incentive will be forfeited if the Contractor fails to satisfactorily meet 2D. The determination as to the overall effectiveness of the Contractor's performance against this Performance Objective/Measure shall be made by the DOE-RL Manager or his designee, giving consideration to input provided by DOE-RL staff.

Determination of satisfactory performance will be based on the performance of the Contractor's baseline change control process including: (1) the timeliness in completing the Baseline Change Request (BCR) process improvement, (2) uniformity in the application of the process, and (3) the accuracy of reports continuing of application of the Contractor's management programs. Determination will consider such factors as impact on Hanford cleanup progress and the severity and number instances where baseline change control performance fails to provide cost, schedule and technical status data as defined in the DOE/FHI partnership related to the RL change control board.

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2E. Integrate Technology into Project: Provide Effective Science & Technology (S&T) Integration and Application by effectively planning and deploying science and technology to reduce technical risk, accelerate schedule, and satisfy Hanford Site Technology needs.

Performance Expectation:

- Conduct science and technology reviews to identify and quantify areas of high technical risk/uncertainty, and develop near and long-term mitigation plans (e.g., S&T plans, technology roadmaps). These plans will include Technology Insertion Points (TIPs) and S&T Data, and will identify the necessary S&T work scope within the appropriate MYWP baseline:
 - Provide a schedule of eight or more S&T reviews for FY01 by 12/01/00 with supporting logic for the chosen reviews.
 - Submit TIPs for FY01, FY02, and FY03 by 12/15/00.
 - Input S&T Data into IPABS by 01/12/01; and
 - Submit two or more S&T Plans by 06/30/01.
- Deploy (and document within 45 days of deployment) technologies that provide solutions to areas of need identified by the S&T reviews. Documentation of deployment should include certification of acceptance by appropriate contractor project management. Documentation of all deployments for FY01 shall be complete prior to 10/31/01.
- Document the benefit derived from the deployment of each technology using the Return on Investment (ROI) models similar to the approach/format used by the Pollution Prevention (P2) Program. ROI documentation should be submitted in conjunction with corresponding documentation of deployment.
- Contribute to the Contractors portion of the S&T-related EM Corporate Performance as documented in the IPABS-IS.
- Complete all TIP milestones in accordance with project schedules and provide documentation supporting each TIP decision.
- Provide monthly progress reports to Science and Technology Programs that status technology reviews, Needs, TIPs, deployments, demonstrations, and other activities of Technology Management.
- Participate and provide leadership in Site Technology Coordination Group subgroup activities.
- Create and manage a pilot program that will fund or leverage the deployment of technologies that will be beneficial in expediting successful completion of Hanford Project activities.

Determination of Fee:

Up to 15% of fee available for this Performance Incentive may be earned for performance Objective/Measure 2E. The fee determination shall be made by the DOE-RL Manager, or his designee, based on satisfactory accomplishment of the performance expectations above, and giving consideration to input provided by DOE-RL staff. Consideration will be given to the amount of ROI calculated for FY01 deployments.

2F. Achieve Pollution Prevention/Waste Minimization: Executive Order (EO) 13101 requires the diversion of sanitary waste from landfills, and increased purchases of Environmental Protection Agency (EPA) designated recycled-content products. The Secretary of Energy established waste reduction goals for waste generated from routine operations. Accordingly, the Contractor shall facilitate compliance with the Executive Order and the Secretary of Energy goals.

Performance Expectation:

- Meet the Contractor's portion of the routine waste reduction, sanitary recycling and affirmative procurement goals as addressed in the "Strategy for Meeting the Secretary of Energy's and Hanford Site Fiscal Year 2001 Pollution Prevention Goals", DOE-RL-2000-68, dated October 2000.

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- Develop a program plan recommending sources of on-site funding for Return-on Investment projects and recommendations for implementation.
- Physically move one rail well car from its current location at 212-R to a location approved by DOE-RL COR, either on or off the Hanford Site, that meets all applicable DOE Orders, and Federal and State Statutes.

Determination of Fee:

Up to 7% of fee available for this Performance Incentive may be earned for Performance Objective/Measure 2F. The fee determination shall be made by the DOE-RL Manager or his designee, based on satisfactory accomplishment of the performance expectations above, and giving consideration to input provided by DOE-RL staff.

Performance Objective/Measure 3 - Responsible Stewardship: The contractor shall provide responsible stewardship of Hanford assets and resources; and acquire goods and services fairly, cost-effectively, and competitively.

- 3A. Provide Efficient & Effective Site Infrastructure & Support Services: The Contractor shall provide efficient and effective site infrastructure and support services (e.g., analytical services, utilities, maintenance, general-purpose facilities and information management) commensurate with site mission needs.

Performance Expectation:

- Provide the required infrastructure and support services as efficiently and effectively as possible, within the constraints such as funding and labor agreements.
- Match infrastructure and service requirements in concert with mission requirements (i.e., alignment with Site Critical Outcomes).
- Provide infrastructure services to all site prime and sub-contractors in an equitable manner.
- Meet expectations for all sections of the DOE-RL's FY 2001/2002 Energy Management Performance Agreement executed with HQ-EE.

Determination of Fee:

Up to 7.5% of fee available for this Performance Incentive will be forfeited if the Contractor fails to satisfactorily meet 3A. The determination as to the overall effectiveness of the Contractor's performance against this Performance Objective/Measure shall be made by the DOE-RL Manager or his designee, based on satisfactory accomplishment of the performance expectations above, and giving consideration to input provided by DOE-RL staff.

- 3B. Achieve Effective Property Management: The FY 2000 efforts resulted in the generation of a baseline list of facilities to evaluate for marketable property, and agreements to prepare personal property availability packages for 616 pieces of property. Approximately 35% of this total was completed in FY 2000.

Performance Expectation:

- Complete personal property availability packages for the remaining quantity, resulting in a two-year total of 616 pieces of property.
- Focus on property that is free releasable, or with minimal or no radioactive contamination. The property shall be evaluated and selected based on the Contractor's knowledge, experience, potential economic value, and DOE-RL requirements.

Determination of Fee:

Up to 3% of fee available for this Performance Incentive may be earned for Performance Expectation 3B. The fee determination shall be made by the DOE-RL Manager or his designee, based on satisfactory accomplishment of the expectations above, and giving consideration to input provided by DOE-RL staff.

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Determination of satisfactory performance will also be based on delivery of a project plan (scope of work, performance schedule, and cost estimate by 11/30/00 and delivery of personal property availability packages for the remainder of the 616 pieces of property by 9/30/01.

- 3C. Achieve Effective Small Business Advocacy Program: The Contractor shall demonstrate their purchasing system includes effective small business advocacy program to support DOE's responsibility to award a fair proportion of DOE appropriated dollars to small business concerns. The Contractor shall use all appropriate means to improve its performance in making awards to small business.

Performance Expectation:

- Exceed the mutually established goals in every small business strategy category of the Subcontract Plan.
- Provide creditable documentation that accounts for established goals and the statistics used to exceed them.
- Validate maximum practicable utilization of small business by utilizing the tools available to DOE contractors as established in Acquisition Letter 2002-02 with an emphasis in Part II, items B, C, E and F.
- Educate the small business community on a quarterly basis in doing business with the Hanford Site.
- Develop acquisition strategies from MYWPs that will identify and expand opportunities for the small business community.

Determination of Fee:

Up to 7.5% of fee available for this Performance Incentive may be earned for Performance Objective/Measure 3C. The fee determination shall be made by the DOE-RL Manager or his designee, base on satisfactory accomplishment of the performance expectations above, and giving consideration to input provided by DOE-RL staff.

Performance Objective/Measure 4 - Effective Leadership: Provide corporate leadership to improve management effectiveness, collaborate and participate proactively with our customers, and value workers and provide a supportive environment

The Contractor is responsible for conducting activities and work in accordance with applicable criteria and standards in performing the total requirements of the contract. Some activities and work are addressed by specific performance incentives. Effective leadership is expected to guide and direct these activities and work to achieve desired outcome for all contract activities, including those activities for which there are no specific performance incentive.

- 4A. Management Effectiveness: The Contractor shall institutionalize organizational and management system improvements and significantly increase management effectiveness and control of its contractual work activities.

Performance Expectation:

- Manage for results.
- Provide proactive leadership to effectively manage and resolve technical issues:
 - Manage and resolve unanticipated issues to reduce impacts to baseline work scope.
 - Submit quality and timely technical documents.
 - Provide timely communications to DOE-RL staff to present and status technical issues and resolution.
- Improve issues management: adequately investigate and understand the full depth and breadth of deficiencies/issues and eliminate recurring deficiencies.
- Maintain a contractor self-assessment process to measure managerial effectiveness for continuous improvement.
- Ensure that work is being conducted in accordance with established requirements, policies and procedures.
- Implement appropriate management action to minimize non-work related activities and maximize work force productivity.

FY 2001 CONTRACT PERFORMANCE INCENTIVE: FHI Comprehensive

- 4B. Customer Satisfaction: Customer satisfaction is a desired outcome for all contract activities, including those activities for which there are no specific performance incentives.

Performance Expectation: In addition to meeting explicit contract requirements, the Contractor shall:

- Maintain a posture of constructive cooperation and openness with regulators and stakeholders. Contractor actions must be consistent with and supportive of DOE-RL's mission.
- Work cooperatively with other site entities for site-wide planning of work.
- Partner, team, and coordinate with other Hanford contractors and local economic development organizations to help in creating non-Hanford jobs. The number and quality of contacts and surveys of contractors and local economic development organizations will be included as part of the basis for performance evaluation.
- Be responsive to customer direction and requirements of the CO and/or COR.
- Respond to allegations of hostile work environment and a chilling effect in an expeditious manner, and ensure free flow of information between employee and DOE-RL.

- 4C. Effective Financial Management: The Contractor shall fulfill its contractual obligation in a fiscally responsible manner.

Performance Expectation:

- Perform periodic (at least monthly) assessment and take necessary corrective action to ensure cost plus commitments at each funds control point (1) does not exceed FY 2001 Budget Authority (BA) and beginning prior year uncosted obligations, (2) are for DOE authorized work scope, and (3) are within the time limitation established by the Appropriation.
- Notify DOE-RL promptly, in writing, when there is a reason to believe any funds control point(s) will be exceeded, along with a proposed corrective action plan.
- Take action(s) to ensure funds control point(s) will not be violated. Corrective action shall be coordinated with DOE-RL Contracting Officer.
- Notify DOE-RL promptly when there is a reason to believe that funds control point(s) will be substantially underrun.

Determination of Fee:

Up to 30% of fee available for this Performance Incentive may be forfeited and up to 45% of fee available for this Performance Incentive fee may be earned for Performance Objective/Measures 4A-C. The DOE-RL Manager, or his designee shall make the fee determination. The determination as to the overall effectiveness of the Contractor's leadership shall be based on, but not limited to, satisfactory performance against the performance expectations above.

COMPLETION DOCUMENTS LIST: *(In addition to the Completion Notice the document(s) that should be submitted/data that should be available/actions to be taken by evaluator to determine actual performance to the requirements stated above.*

The Contractor shall provide a self-assessment addressing each performance expectation under this Performance Incentive by 10/31/01. This is in addition to the self-assessment specifically identified within the Performance Objective(s)/Measure(s).

FY 2001 CONTRACT PERFORMANCE INCENTIVE: FHI Comprehensive

**SECTION 6
SIGNATURES**

E.W. Penn, Vice President
Project Control

Date

R.D. Hanson, President & CEO
Fluor Hanford, Inc.

Date

W.W. Ballard, Assistant Manager
For Planning & Integration

Date

R. M. Rosselli, Deputy Manager
Business Services

Date

K.A. Klein, Manager
Richland Operations Office

Date

**PART III – LIST OF DOCUMENTS
EXHIBITS AND OTHER ATTACHMENTS**

**FEE PLAN
SECTION J**

APPENDIX H

FOR THE PERIOD OCTOBER 1, 2000 – SEPTEMBER 30, 2001

3. The total available fee pool for FY01 as set forth in Clause B.4 entitled “Estimated Cost and Fee” of this Contract is allocated as follows:

Base Fee – none
Award Fee – none
Performance fee – 100%

4. 20% of the available positive incentive fee in Clause B.4, and -15.2% of negative incentive fee, is allocated to a Comprehensive Incentive. The performance incentive “FHI – Comprehensive” establishes the bases to measure comprehensive performance. The remaining performance fee amount is allocated to the objectives, measures and/or expectations as follows:

Objective – 0.0%
Measures – 0.0%
Expectations – 100%

3. The specific percentage of fee assigned to an individual objective, measure, or expectation is set forth in the Performance Incentives. Available fee is suballocated into fee for regular performance, stretch performance, and negative fee for poor performance. If the contractor fails to meet a given performance objective, measure, or expectation, a negative incentive fee will result (if applicable). For negative incentive fee, the specific amount will be deducted from the total amount of fee otherwise earned. However, in no event will the amount deducted for failure to meet performance objectives, measures, or expectations exceed the total amount of fee earned on all regular and stretch incentives.